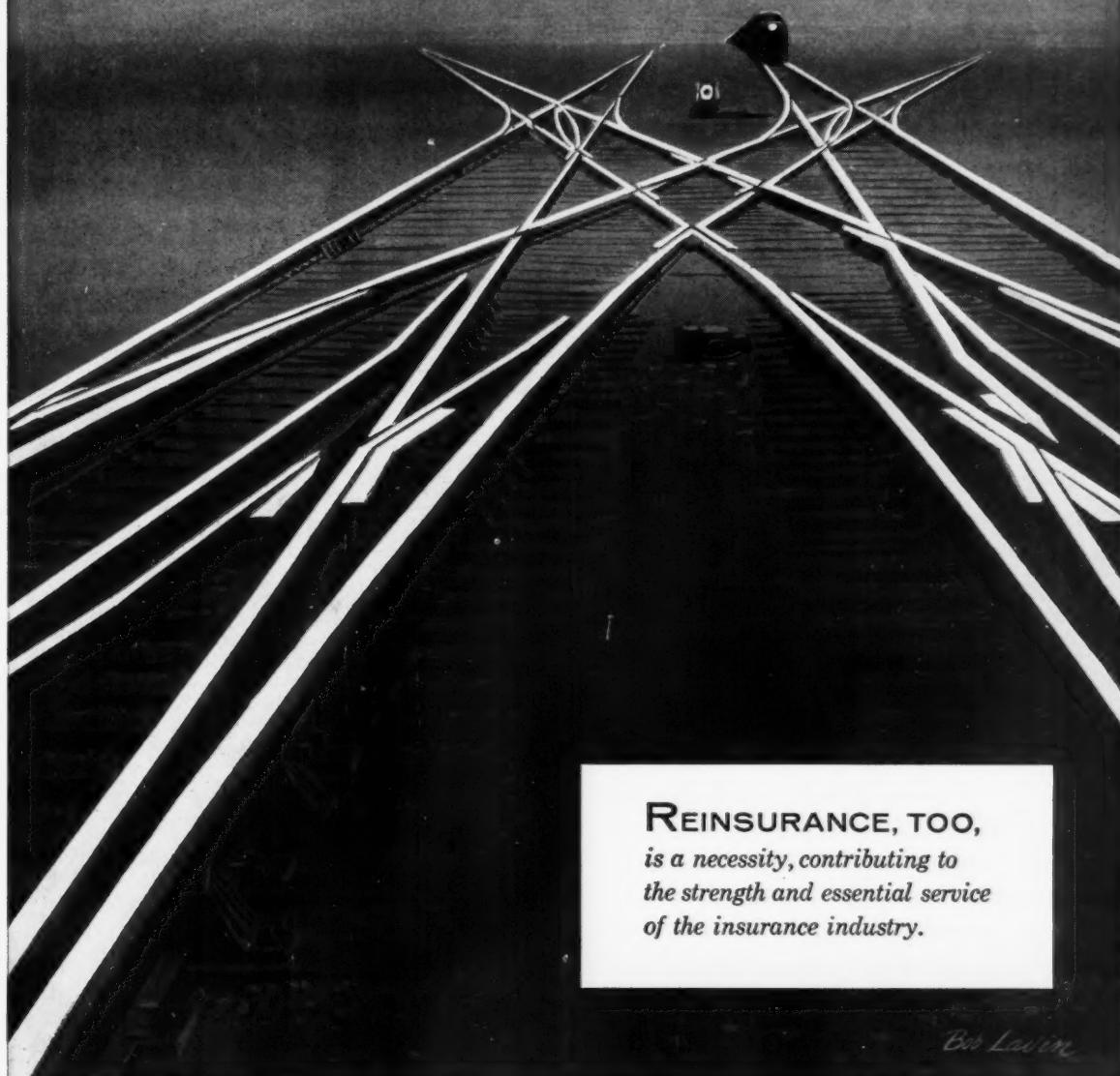


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*is a necessity, contributing to  
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of the insurance industry.*

*Bob Lavin*

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THURSDAY, JUNE 16, 1955

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Casualty Insurance, Fidelity and Surety Bonds

A stock company represented exclusively by over 40,000 independent local agents and brokers

The Home Insurance Company's current advertisement is your "personal introduction" to new leads and prospects.

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The Home Indemnity Company, an affiliate, writes  
Casualty Insurance, Fidelity and Surety Bonds

A stock company represented exclusively by over 40,000 independent local agents and brokers

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U. S. News & World Report  
—July 22

Better Homes and Gardens  
—August

American Home—August

Nation's Business—July

Business Week—July 16

Town Journal—July

Newsweek—July 11

Time—July 11

# The NATIONAL UNDERWRITER

The National Weekly Newspaper of Fire and Casualty Insurance

59th Year, No. 24  
June 16, 1955

## A&H Agents Hold 25th Anniversary Meeting in Texas

300 at San Antonio as C. E. McDonald Succeeds McKinnon as President

BY WILLIAM B. BORGEL

SAN ANTONIO—Challenges of now and the near future, what they are and how they can be met—these developed to be the big underlying theme of the silver anniversary convention of International Assn. of Accident &



C. E. McDonald



L. A. McKinnon

Health Underwriters here this week with a registered attendance of over 300. Speakers cited the challenges and explained them, officers and committee leaders dealt with them in their reports, and they were acted upon constructively in executive session.

The message of welcome from S. E. McCreless, president of American Hospital & Life, delivered in his absence from the city by the company's vice-president, W. W. Jackson, sounded the initial note of challenge. It stated that the challenge against "Security, the American Way" should not be taken too lightly and suggested that "if we devote ourselves to the service of others, we will not fail in the challenge before us."

Association President Leonard A. McKinnon of McKinnon & Mooney, Flint, Mich., in his annual report indicated how challenges are being met by organized action, and recommended other ways in which to meet them. R. L. McMillon, Business Men's Assurance, Abilene, and president of the Texas Association, after summarizing some of the challenges and the progress made in meeting them, gave assurance that the business is endowed with leadership that accepts the challenges set before it. Other speakers during the three-day meeting discussed problems and solutions in the challenging areas of legislation, public relations, membership, training, and selling.

Clifford E. McDonald, agency director International Fidelity, Dallas, and former vice-president of the International association, was elected president, succeeding Mr. McKinnon, who is now chairman of the executive board. Mr. McDonald, who was also chairman of public relations last year,

(CONTINUED ON PAGE 32)

## Maryland Agents' Midyear Draws 250 to Baltimore

By BERNARD F. MC MACKIN JR.

OCEAN CITY, MD.—Attendance was close to 250 at the two day midyear meeting of Maryland Assn. of Insurance Agents here. Association business was at a minimum, with highest interest centering around educational sessions. Entertainment was abundant, Ocean City being a resort city. Company hospitality rooms did business as usual, with no signs of curtailment.

The only major piece of formal action was directed at coercion, which is a thorny matter in Maryland. Insurance men here are particularly concerned about activities of some building and loan associations and banks. A standing anti-coercion committee was directed to huddle with banking interests in the state in an attempt to get some understanding on the subject.

D. A. Ford Jr., Baltimore, who is chairman of the anti-coercion group, will be in charge, with assistance from Thomas Basil, Annapolis, and James Reinhart, Cumberland.

Educational sessions covered residence package policies, valuation for insurance purposes and the revised automobile physical damage and liability policies. Additionally there was a meeting devoted to federal influences on the insurance business, the topic being presented by M. G. Herndon, Washington representative of NAIA.

M. J. Welhoefer, Baltimore, assistant superintendent of the automobile department of U. S. F. & G., handled the automobile policies. He combined detail with illustrative examples and succeeded in making the recent complex changes more understandable. Obviously anticipating a question which has been raised among producers, Mr. Welhoefer stressed the fact that National Bureau and NAUA companies

(CONTINUED ON PAGE 36)

## Fla. Broad Dwelling Change Breaks with Extension Principle

JACKSONVILLE—Outbuildings and time element extensions of the dwelling buildings special and the dwelling buildings and contents broad forms are now separate and additional amounts of insurance in Florida. The change, put in effect June 8 by Florida Inspection and Rating Bureau, involves no extra charge or special handling. The amount of coverage provided is 10% of the dwelling amount—the same percentage which applied as an extension. Monthly limitations on time element recovery are unaffected.

Accompanying these changes, the Florida bureau has altered the off-premises contents extension to make it clear that there is coverage of personal property away from the insured location, even if the property has never actually been there.

It has been well established that an extension of a fire form does not constitute a separate and additional amount of insurance. Under the new Florida rules, the insured is in a position to recover as much as 20% of the race amount of the policy over and above that amount. For example, with total loss of a dwelling insured for \$10,000, there could be recovery of \$10,000 under the dwelling item, as much as \$1,000 for an outbuilding and as much as \$1,000 for additional living expense or rental value (or a combination of these up to an aggregate amount of \$1,000).

The off-premises extension of contents coverage formerly applied to property described in the contents item and "insured thereby." The quoted words had the effect, in the opinion of many insurance men, of eliminating coverage of furniture and clothing had been purchased for use, say, at a summer cabin and taken directly there, never actually having been at the in-

(CONTINUED ON PAGE 36)

## Virginia Agents Eye Ways of Meeting Competition

Morgan Elected President; Big Crowd for Annual at Roanoke

By KENNETH O. FORCE

ROANOKE—Most of the speakers on the program of the annual convention of Virginia Assn. of Insurance Agents here had one thing in common. They all discussed the varied kinds and increasing amounts of competition facing the



Albert E. Cox



J. Victor Arthur

local agent today. Almost 500 attended the affair, a near record including a surprising number of young agents and their wives.

Edwin J. Morgan of Hampton was elected president, Giles M. Robertson of Richmond vice-president, C. M. Flintoff of Suffolk secretary-treasurer and J. Victor Arthur of Winchester state national director, reelected. New district directors are G. K. McMurran of Newport News, John Cahill Jr. of Norfolk, W. R. Walker of Richmond, D'Arcy W. Roper II of Petersburg, R. F. Burke III of Charlottesville, Henry Downing of Front Royal, J. C. Litts of Norton and H. H. Coiner of Arlington. T. Nelson Parker of Richmond continues as general counsel and William N. Day as executive secretary.

## Late News Bulletins . . .

### Stewart, Smith & Co. Names Carey, McConnell

Stewart, Smith & Co. of New York has named William R. Carey and Martin E. McConnell joint managers of its aviation department. Mr. Carey was formerly with North America and Mr. McConnell was with Royal-Liverpool group.

### O'Donoghue Joins Herbert Clough Inc.

Herbert Clough, reinsurance intermediary of General Re, has named Derek L. O'Donoghue an assistant secretary. He had been in the fire and casualty departments of Marsh & McLennan since 1949.

### Hines Offers SEUA Ways to Meet Competition

Terming the flat rate cancellation an evil that can be reduced and possibly eliminated, F. H. Hines, president of South-Eastern Underwriters Assn., told its annual meeting at Hot Springs, Va., that if direct billing will help, "we can get around the expiration ownership problem by an agency contract that makes a company liable if it fails to respect that ownership." Mr. Hines, southern department manager of Crum & Forster, said that a careful examination by insurers of their operations may reveal ways of reducing the expense factor to aid in meeting competition. But meeting the expense factor will not be enough he said, asserting that flat rates must be re-examined and a way found to give the man with the better home a better rate. Otherwise, the competition will limit its protection to the more profitable dwellings, and so be enabled to make still further concessions by reason of a lower loss cost.

Retiring President Albert E. Cox of Danville recommended appointment of a commission to reconsider the purposes of the association. The growth and increasing activity of the association and the rapid and constant changes in the business make the revision of the organization essential if it is to continue to be manageable and achieve its purposes, he said. He suggested employment of professional help in making the study if that is necessary and said the commission should hold meetings throughout the state to get the suggestions, criticisms and complaints of members. Membership has reached an all time high of 523, he reported.

The automobile committee recommended two resolutions: that companies make available in Virginia the unsatisfied judgment endorsement of the California variety and that Virginia Insurance Rating Bureau adopt the National Automobile Underwriters Assn. manual.

Mr. Cox said directors have approved the recommendation of the driver

(CONTINUED ON PAGE 31)

ment  
or in:  
Report  
July 22  
Gardens  
—August  
—August  
ss—July  
—July 16  
—July 11  
—July 11

Thursday  
at the post

## Insurer-Hospital Entrance Plan at Chicago Updated

Chicago Hospital Council has streamlined rules and procedures for insurers and hospitals to use to get people into the hospital easier. The program was outlined for Chicago hospital administrators at a special meeting by James R. Gersonde, executive secretary Chicago Hospital Council; C. J. Hassenauer, administrator of Garfield Park Hospital; J. C. Stange, Travelers, and Bruce Gifford of Health Insurance Council.

The program, originating in 1948 under the auspices of Hospital Council and Health Insurance Council, was up-dated because of increased utilization. Mrs. Amy Harris has been named full-time manager of the Insurance Information Service, as the program is now called.

In addition to a more efficient card-file system that tells hospitals what benefits a person may have, allowances also were made for use of the

insurance industry HAP-4 certification procedure.

Negotiations developing the revised rules have gone on for a year. They stem from the hospitals' desire for faster assigned benefit payment, more positive guarantees of assigned payment, and need for additional effort to make the program more effective. Insurance company conferees were: B. F. Adams, Provident Life & Accident; George I. Hilliard, Washington National; Walter C. Kelley, New York Life; L. N. Manogg, Connecticut General Life; L. A. Orsini, Bureau of A&H Underwriters; S. B. Reed, Connecticut General Life; Mr. Gifford, H&A Underwriters Conference, and Mr. Stange.

Filing fee for a new card listing will remain at \$4.50. There will be an additional assessment of \$1 per card to meet deficits in operating costs.

The plan provides for the establishment of a card system in each of the participating hospitals. The card files contain information in the coverage and benefits. Cards are filed with the council office by the participating insurers. The council then has the

card duplicated and mailed to the hospitals. At the time of admission to the hospital, a patient wishing to assign his insurance benefits to the hospital indicates this to the admitting clerk. The clerk then checks the card file to ascertain the benefits available. Verification of benefits is done by telephone contact to the person listed on the card. The patient then signs the assignment form and the hospital will, at the time of discharge, send the claim form to the group policyholder or the insurer for payment.

## NAUA Rates Cut in Colo., Wyo., N. M. on June 15

Private passenger automobile rates were reduced in Colorado, New Mexico and Wyoming effective June 15 by National Automobile Underwriters Assn.

In Colorado, comprehensive private passenger premiums are reduced more than 14% with the reductions varying in territories from 11% to 19%. Private passenger \$50 deductible collision is reduced approximately 15%, reductions varying from 14% to 17%. The \$100 deductible private passenger collision for the state as a whole is down 15%, varying from 11% to 19%.

In New Mexico, comprehensive private passenger premiums are reduced in excess of 12%, and the private passenger \$50 and \$100 deductible collision is down 10%.

In Wyoming, comprehensive private passenger is down 8%, while \$50 deductible collision private passenger is reduced 7%, and the \$100 deductible 8%.

In addition collision premiums for family private passenger automobile risks which involve young women operators under 25 but with no men operators under that age are reduced 13% where the woman operator under 25 is neither the owner nor the principal operator.

The revised rules also include a 10% reduction in private passenger collision for risks where the driver under 25 has successfully completed a driver education course in a recognized school, college or university. Courses must meet the standards that have been established by National Educational Assn.

## Insurer Wins Case on Policy Copyright

District court for District of Columbia granted summary judgment to Employers Mutual Liability of Wausau in an action against the company claiming infringement of copyright in the issuance of a chattel lien policy. Charles S. Miner of Washington contended Employers had appropriated his material in a "credit union chattel lien non-filing bond" coverage, but since the policy used by Employers contained "no similarity in arrangement of words" the court held there was no appropriation "either substantially or in exact form."

Employers asked for summary judgment before the case went to trial, and in granting the motion the court made the point of arrangement of words the key point, "assuming that plaintiff's copyrights are valid."

The case is of special interest because there is an action in California on the use of an unsatisfied judgment policy, and, it is understood, there are other cases on policy copyright of one kind or another elsewhere.

## Miller Heads Governing Committee of Pacific Board

William B. Miller, vice-president and Pacific department manager of American, has been elected chairman of the governing committee of the Pacific Board.

New members of the governing committee, elected at the annual meeting at Santa Barbara, are: R. D. Billings, Fire Association; Alan Mateer, Norwich Union, Frank J. Pelletier, Landis, Pelletier & Landis—all to serve two years; and, James C. Hitt, London Assurance, Phil D. Richards, Richards & Co., Frank H. Spencer, Commercial Union group, one year alternates.

### Hear Martin at Detroit

Detroit Assn. of A & H Underwriters at its June meeting heard a talk on major medical by Robert J. Martin, executive special agent in Detroit for Continental Casualty.

## Highlights of the Week's News

Casper, Wyo., agents launch 12-month advertising and public relations program	Page 6
Tells New York Mariners coast guard and marine insurers have kindred interest	Page 6
800 attend Los Angeles Insurance Day	Page 3
Fire rates are reduced in Maine	Page 31
Agricultural and Empire State to enter casualty field	Page 31
C. G. Hallowell retiring from Aetna Casualty; G. E. Mann to succeed him	Page 23
National Insurance Women Holding annual meeting at San Francisco	Page 4
Program for Insurance Advertising Conference is set for June 26-28	Page 4
Interpret basic medical payments as combined cover	Page 18
EUA discusses wave and wash cover; inland versus coastal wind rate	Page 5
Travelers Board OKs 20-for-1 split, and stock dividend	Page 12
Miss. Agents' Assn. elects Harvard; opposes Installment premium	Page 12
John A. North elected president of SEUA; John H. Ledbetter vice-president	Page 17
Edwin J. Faulkner named A&H Man of the year	Page 33
Texas governor gets his whole reform program	Page 23
Multiple Line bill signed in Ohio; others advance	Page 33
Insurance school prize, certificate winners listed	Page 16
Mississippi Supreme Court rules newsboys eligible for WC	Page 16
Role of medium size computer described by Allstate official	Page 33
Insurer-hospital entrance plan at Chicago updated	Page 2

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Mr. Douglass is chairman of the Idaho conference committee of the Pacific Board, and was one of the organizers and is a past president of Inter-Mountain Field Club. He is also a past most loyal gander of Utah-Idaho Blue Goose.

W. R. Patterson, has purchased the DeWitt Jones agency of Joplin, Mo., and has added more companies and started the Patterson agency. He was formerly with another Joplin agency for 14 years.



## 800 Attend 1-Day Rally at Los Angeles

LOS ANGELES.—With Maj. Gen. Walter C. Sweeney, Jr., commander of the 15th air force, strategic air command, the featured speaker, the annual Los Angeles Insurance Day drew 800 insurance men and women to the Biltmore hotel. The program included, in addition to General Sweeney, representatives of the various branches of the industry, and public officials.

One of the outstanding talks was the short address of Commissioner F. Britton McConnell, in which he said that by an act of Congress, insurance was subject to control by the states, that the states administered the regulation of insurance well and that ICC rules infringe on state regulation.

General Sweeney, in his talk on "Strategic Air Command" declared that it is the responsibility of the public to maintain the strategic air force as a long range striking force.

Attorney William H. Levit, of Long & Levit, speaking on "Hidden Liabilities," declared the keystone of the insurance business is the agent and broker and that it is their job to advise their clients to carry adequate insurance to protect them from the hazards to which they may be exposed. He mentioned as some of the causes of hidden liabilities landlord and tenant relationship, hold harmless clauses, and violations of statutes, ordinances, and laws. He made special mention of the fact that actions of courts in interpreting these three things is an important factor in determining the case. He declared the courts do not like the hold harmless clause. He also cited the liability arising out of relations with the independent contractor, and in addition the employer and employee relationship. He said that in all cases the contracts should be made air tight; that the subrogation waiver be considered and that insurance should be carried with adequate limits. He called attention to the liability of parents, mentioning the signature just recently by Gov. Knight, imputing any damage by a minor shall be held the

### Auto Repair Man Loses Appeal on Case of Bilking Insurer

Colorado supreme court has upheld the conviction of Roy W. Roll, president of Spot Auto Body Co., on charges of conspiracy to commit a confidence game. He had previously been convicted in district court of conspiring to swindle Traders & General by padding auto repair bills.

Traders & General contended it was bilked of more than \$20,000 by Roll and John Schubert, its Denver manager. Evidence showed that Roll submitted bogus bid estimates on forms of repair shops other than his own, and this tended to indicate his padded bills were the lowest obtainable. Schubert pleaded guilty and was placed on probation. He testified he received \$10,800 in kick-backs from Roll.

### Zurich Names Gillet and Uchneat Field Assistants

Zurich has named James M. Gillet Jr., field assistant at Baltimore and Joseph M. Uchneat to a similar post at Buffalo. Mr. Uchneat succeeds John V. Clark, who has resigned. Richard Lewis will continue as a New York field assistant. Mr. Gillet was formerly Maryland special agent of Employers group.

liability of the parents, and fixing the limit of \$300 as the liability of the parent for each action of the minor.

Joseph F. Morrison, vice-president of Industrial Indemnity Co., spoke on "How To Sell more Insurance in Today's Competitive Market." He disagreed with the idea that the American agency system is on its last legs and must revolutionize its methods. Competition is a two way problem for companies and agents to solve, he said. No one has a monopoly on brains, knowledge, integrity or social purpose. He named three questions that must

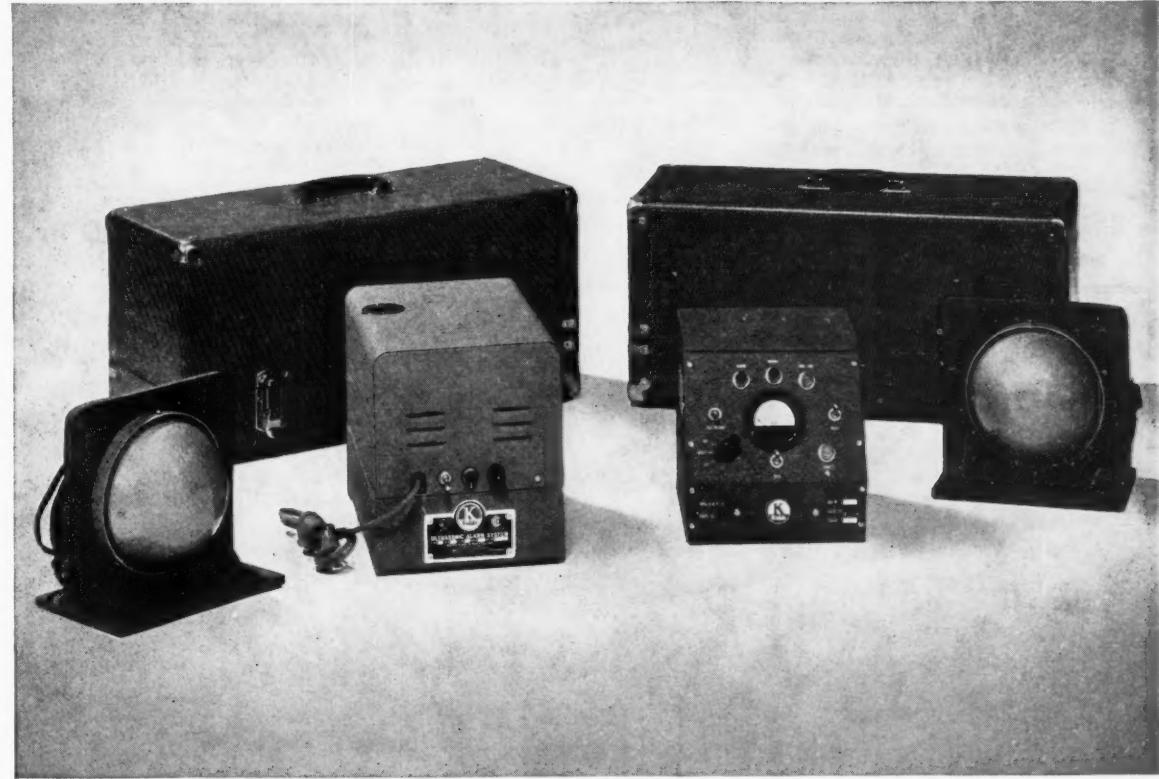
be answered: What leads to the conclusion that the stock company-agency plan has special values for which the public is willing to pay; can the selling force—local agent or broker—demonstrate the superiority of its service; how much "more" is the public willing to pay? He declared the local agent's position is more favorable than his competitors because the insurance buyer is willing to pay for that which is supposed to protect him; the insurance buyer knows that his protection is no better than the integrity of the person who put it together; he wants

to buy from those best able to meet his needs; it is easier for the local producer to help the buyer. It all depends, he averred, on the producer's "know how."

Vice-president R. A. McGuire of Pacific Employers, was the first speaker of the afternoon session and spoke on "Schedule and Experience Rating under the California Workmen's Compensation Act."

John W. Yates, general agent, Massachusetts Mutual Life closed the day's sessions with a talk on "Minding the Gap."

# BAD NEWS FOR BURGLARS!



## the first completely foolproof burglar alarm system ever made!

Colorado supreme court has upheld the conviction of Roy W. Roll, president of Spot Auto Body Co., on charges of conspiracy to commit a confidence game. He had previously been convicted in district court of conspiring to swindle Traders & General by padding auto repair bills.

The Kidde Ultrasonic Burglar Alarm System pictured above consists of a transmitter, a receiver, an electronic "brain" and an alarm panel. Here's how it works:

The transmitter and receiver, each about the size of half a grapefruit, are placed inconspicuously within the area to be protected. These units are connected in turn to the electronic "brain." The alarm panel may be located in any guard office, local police station or Central Station Alarm Company.

When the system is turned on, the transmitter fills the entire area with "silent sound"—sound too high to be heard by the average human ear. This high-frequency sound is picked up by the receiver.

As long as there is no motion within the protected area, no signal reaches the alarm panel. But if an intruder enters the area, or if a door or window is opened, the electronic "brain" triggers the system *immediately*. Even if a thief conceals himself in the protected area before the system is turned on, his *first move* gives him away once you put the system into operation.

There is *no* way to beat the Kidde system. If power fails, or if a wire is cut . . . or if someone tries to sabotage any of the system components, tamper-proof devices instantly sound the alarm.

In addition to giving you the *best* protection you can buy, the Kidde system has the additional advantage of being portable. No expensive, permanent wiring is required, and the entire system can be shifted from one location to another with very little trouble. The system works on regular 110 volt, 60 cycle AC current, and can be plugged into any convenient outlet.

Maintenance, too, is simple. The system uses only four electronic tubes, can be serviced by any competent radio man or electrician.

The four basic units shown above can protect up to 7500 square feet. Specific applications may require a few additional components, however. Find out more about this economical, foolproof protection. Send today for Kidde's Ultrasonic Alarm System booklet.

# Kidde



The words "Kidde", "Lux", "Lux-O-Matic", "Fyre-Freez" and the Kidde seal are trademarks of Walter Kidde & Company, Inc.

Walter Kidde & Co., Inc., 644 Main St., Belleville 9, N. J.  
Walter Kidde & Company of Canada, Ltd., Montreal—Toronto

## Insurance Women Holding Annual Meet at San Francisco

National Assn. of Insurance Women is holding its annual four-day convention this week at the Sheraton Palace hotel in San Francisco.

Miss Kay Lavin of St. Louis, national president, presided at pre-convention board meetings and heads business sessions at the convention.

Major items of business being considered are: The establishment of a national headquarters, appointment of an executive secretary and redistribution of regions. The items were considered at eight, pre-convention regional conferences at New York City, Baltimore, Jackson, Mich., Dayton, Milwaukee, Tulsa, Hutchinson, Kan., and Seattle.

The National association was established in Denver in 1940 and now includes more than 12,000 members in 204 clubs in the United States, Hawaii and Canada. The following clubs were formed last year: Ponca City, Okla.,

and Orange, Tex.; El Dorado, Ark.; Reno, Nev.; Calgary, Alb.; Vancouver, B. C.; Coos Bay Area, Wash.; Tri-City area; Orange County, Tex., and Walla Walla Valley, Wash.

The convention program includes four business sessions, luncheons, a "gay 90's" party, fashion show, banquet and installation of officers.

### Rob Two Mich. Examiners

LANSING, MICH.—Edward Embach of the Michigan examiner staff suffered minor injuries recently, according to word reaching the department offices, when he was set upon by two would-be robbers in Richmond, Va., where he has been on an examination assignment.

Mr. Embach was reported to have snatched back his billfold after the men had taken it but they shattered his spectacles and his suit was ruined in the scuffle with the thugs. He was so bruised and cut in the rough-and-tumble battle that he was unable to work for three days.

By coincidence, another department examiner, George Naglich, was also an intended victim of thieves when his car was broken into in Chicago. The robbers obtained no loot, according to reports.

## Program Is Listed for Annual of IAC From June 26-28

Advertising in action will be the theme of the annual meeting of Insurance Advertising Conference at Clarendon hotel, Atlantic City, June 26-28.

The first day's program will include the president's reception and a get-together supper.

John C. Stott of the Norwich, N. Y., local agency that bears his name, a past president of the New York State and National Assns. of Insurance Agents, will be the first speaker June 27. His topic will be "We're in a New World." Paul Swarm of Decatur, Ill., Donald E. Bowles of Dallas and John W. Kelly of Manchester, N. H., winners of IAC advertising awards, will tell how advertising has helped their agencies sell their services and George L. Miller, vice-president of R. T. O'Connell Co., New York advertising agency, will speak on fire and casualty advertising. Mr. Miller's pen name is Aesop Glim.

The luncheon speaker Monday will

be Arthur H. Motley, president of Parade Publications, whose topic will be "Use it or Lose It." He will be followed by a quiz program at which advertising questions will be answered by a panel moderated by W. W. Clement, public relations manager of American International Underwriters. Participants will be Robert E. Brown Jr., assistant advertising manager of Aetna Life affiliated companies; Dwight Ely, production manager of Ohio Farmers; Edwin E. Sterns, assistant advertising manager of Travelers, and Jarvis Mason, vice-president of Wilson, Haight, Welch & Grover, advertising agency.

Charles Ax, art director of N. W. Ayer & Son, will then discuss what is new in advertising art. A banquet will be held Monday night at which George V. Whitford, vice-president of Fire Association, will be the principal speaker. The awards committee will report and winners in the third annual awards program for agents and brokers of IAC will receive their awards.

The Tuesday morning session will open with a movie, "The Changing American Market," followed by the business meeting at which new officers will be elected.

## Program Listed for N. C. Mutual Agents' Meeting

The program has been completed for the annual meeting of North Carolina Assn. of Mutual Insurance Agents June 23-25 at Blowing Rock.

Speakers and their topics during the three-day session will include J. F. Montgomery of Jackson, Miss., president of the National association, who will bring greetings from the Washington office; W. J. Hynes, secretary of Employers Mutual Casualty, "Is the Sun in Your Eyes?"; Commissioner Gold, who will discuss recent North Carolina legislation; Charles Cullen of Charlotte, business consultant, sales and leadership training, and Charles Ward, personnel director of R. J. Reynolds Tobacco Co., who will speak on personnel and sales matters.

A symposium will be conducted with John D. Cox Jr., vice-president of Berkshire Mutual Fire, as moderator, assisted by Russell Davis, vice-president of Lumbermen's of Mansfield, O., and Joe L. Norton president of Westbrook agency of Charlotte.

Another forum will be conducted by Philip L. Baldwin of the Washington office of the National association, assisted by C. Goodman Jones, president West Virginia association, and S. A. Chalk Jr., president North Carolina association. Other participants will include W. S. Bizzell, manager of North Carolina Fire Insurance Rating Bureau, and W. F. Laughlin, general manager of Compensation Rating and Inspection Bureau of North Carolina.

## A. F. Kieser Named in Ohio by National of Hartford

National of Hartford group has appointed Alfred F. Kieser Jr., casualty and surety special agent in Ohio.

Mr. Kieser previously served as casualty underwriter in Cleveland. His headquarters will be in the Cleveland office and he will assist casualty and surety supervisor Robert J. Coyne.

## TIS Formed in Lafayette, La.

Trained Insurance Specialists has added its ninth local chapter in Lafayette, La. The chapter, organized under J. Howard Stansbury, chairman, is composed of 20 local stock company agents.

Other officers and members of the TIS committee of management are: J. A. Mouton, vice-chairman; Mary Ann Stoute, secretary; C. C. Colomb, treasurer, L. J. Billeaud, R. C. Bourque, A. J. Moss Jr., and S. P. Landry.

## PROVIDENT SCORES AGAIN IN THE NON-CAN FIELD WITH...



Provident's 10-12 Plan — a new and exclusive method of marketing Non-Can — has been successfully field tested and has resulted in high enthusiasm from every producer who has acquainted himself with the plan. Provision for premium payment on a salary allotment basis is just one of the outstanding selling advantages featured in the 10-12 Plan.

We'd like to tell you about it. We'll send full information as soon as we receive your request.

Brokerage Business Invited

**PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY**

Chattanooga - Since 1887

LIFE ACCIDENT SICKNESS HOSPITAL SURGICAL MEDICAL



## EUA Discusses Wave Wash Cover, Inland vs Coastal Wind Rate

The executive committee of Eastern Underwriters Assn. reviewed the possibilities of covering the presently uninsured wave wash hazard at its mid-year meeting at Hot Springs, Va. The association held its meeting the day before and in conjunction with the annual meeting of South-Eastern Underwriters Assn. there.

Referring to the problem of coastal versus inland rate levels for windstorm peril, Lincoln M. Michel, vice-president of Fire Association, said in his report of the rating methods research committee that a comprehensive study indicated there was no validity attached to such a rate level differential. It was pointed out that all major wind catastrophes suffered in the territory during the past 10 years were not of hurricane origin, but there was a definite indication that rate levels for extended coverage endorsement must be viewed from an area basis and not limited to the borders of a state or the geographical boundaries of a rating organization territory.

He also reported that the use of a mandatory \$50 loss deductible clause was recommended based on the experience in catastrophe losses and in the interest of recommending reasonable rate levels for the tremendous windstorm loss exposure. The elimination of the thousands of small maintenance claims resulting from normal windstorm plus catastrophes is essential to evaluating the possibility of continuing unrestricted offering of coverage in centers of concentrated value, he said.

Harry W. Miller, general U. S. attorney of Commercial Union, president of EUA, commented on the need for a more realistic approach to study and research of new and revised forms of coverage. Often problems are accentuated by the failure to recognize them as matters of national concern, he said.

With the acceleration of the tendency of commercial organizations to maintain full-time insurance departments, it is important to examine the national approach to coverages so that a progressive trend in one section is not ignored while the status quo is maintained in another. It is incumbent on insurance managers of companies to offer the same basic coverage to the public regardless of the location of the property, and be influenced only by their judgment of major territorial differences in exposure to loss.

It is important that a degree of nationwide uniformity is maintained to improve the handling of catastrophe loss operations, he said. The past year gave ample evidence that adjusters imported from one section of the country to adjust losses in another are often confused by the different forms employed to cover the same type of property.

He recommended that more research be done on techniques in developing forms, endorsements, clauses and rules. Regional organizations should, under national guidance, apply themselves to research beamed towards clearly defined objectives. If a start is not made in this direction, insurance will be continuing its present practice of trial and error, which, he said, does not serve the public interest.

Henry C. Pitot, U. S. manager of Royal Exchange, chairman of the loss adjustment practices committee, re-

ported on proposed revisions in catastrophe loss procedure, including the use of private weather reporting services to alert field club catastrophe committees on the approach of wide area storms, thus assisting in speedy coordination of all forces to handle the resulting catastrophic damage.

Both EUA and SEUA held committee meetings during the convention. Members of either organization were allowed to attend any scheduled committee meeting, including the extended

session of EUA's public relations committee, which met with rating managers to explore the public relations phases of municipal gradings, underwriting inspection service on sprinkler service impairments and fire safety recommendations for special hazards. David W. Florence, assistant U. S. manager of Commercial Union, chairman of the public relations committee, in his report emphasized the need of getting more field men to take part in public relations work by giving talks

at public meetings and showing films. Less than 15% of the total number of field men now make all the talks and film showings, he said. If this could be expanded to 30% of the total available field club membership, an annual audience of half a million people could be reached, he said.

Cletus E. Byrne, in insurance at St. Louis for 26 years, part of that time operating his own agency, has joined General Insurors.

WE ARE PLEASED  
TO ANNOUNCE THE ACQUISITION  
OF THE  
CENTRAL SURETY AND INSURANCE  
CORPORATION  
AS A MEMBER OF THE  
NORTH BRITISH GROUP

[ NOW WRITING FIRE, CASUALTY, SURETY, AUTOMOBILE,  
OCEAN & INLAND MARINE AND ALL ALLIED LINES ]

NORTH BRITISH AND MERCANTILE INSURANCE  
COMPANY LIMITED

THE PENNSYLVANIA FIRE INSURANCE COMPANY  
THE COMMONWEALTH INSURANCE COMPANY  
OF NEW YORK

THE MERCANTILE INSURANCE COMPANY  
OF AMERICA

THE HOMELAND INSURANCE COMPANY  
OF AMERICA  
ADMINISTRATIVE OFFICE: 150 WILLIAM STREET, NEW YORK 38, N. Y.

THE OCEAN MARINE INSURANCE COMPANY  
LIMITED  
ADMINISTRATIVE OFFICE: 55 JOHN STREET, NEW YORK 38, N. Y.

CENTRAL SURETY AND INSURANCE CORPORATION  
HOME OFFICE: 1737 MCGEE ST., KANSAS CITY 41, MO.

ATLANTA  
DETROIT

DALLAS  
CHICAGO

PHILADELPHIA  
KANSAS CITY

BOSTON  
SAN FRANCISCO

## Casper, Wyo., Agents to Launch 12-Month Advertising Program

Casper, Wyo., Insurers beginning July 1 will launch a public relations and advertising program which it believes to be the most extensive ever presented by a local board. The advertising will be based on the program instituted by the Colorado association.

The ads will run for a year and are to be financed by a contribution of nearly \$190 from each member. There will be weekly advertisements in both morning and evening papers in Casper and radio announcements on the two radio stations in town. The prepared ads of the Colorado association will be modified for use locally, and in addition 60-line "reader" type ads will be run on alternate weeks, each featuring one of the members of the association with a photograph and biographical sketch. Nearly a million copies will be printed during the year in the papers, and the radio announcements will call attention to the newspaper ads. Reprints will be available for use as envelope stuffers, hand-out literature,

etc. Each member will have 1,000 three-color gummed stickers for attaching to policies and letters to remind their customers that the policy was written by a member of Casper Insurers.

Cars of agents will carry large reflecting tape emblems identifying them as belonging to insurers and agency windows will be decorated with decals featuring the insurer insignia.

Harold B. Parker of Ratcliff-Parker agency, is chairman of the advertising committee and will administer the program. The Galen E. Broyles advertising agency of Denver will prepare and execute the program. It is also handling the program for Denver Insurers and Colorado Insurers.

### Mass. Brokers' Outing

Insurance Brokers Assn. of Massachusetts will hold its annual outing at Woodland Golf club, Auburndale, June 20.

### Ohio District Meeting June 16

SPRINGFIELD, O.—Ohio Assn. of Insurance Agents is holding its 4th district meeting at the Springfield Country club here June 16. Ellis H. Roberts of Springfield is program chairman.

## Says Coast Guard, Marine Insurers Have Kindred Interest

When a marine loss occurs under a P. & I., cargo or vessel policy the insurer's representative investigating the claim has the right to sit in as a party in interest while the statutory coast guard investigation of the incident is being conducted, New York Mariners Club was told by Commander Frederick K. Arzt, senior coast guard marine investigating officer at New York.

He said that usually such insurance investigations are conducted simultaneously with the coast guard investigations and that as a party in interest the insurer's representative is permitted to cross-examine any government witnesses. He may also receive a copy of the investigating officer's findings of fact as well as statements and exhibits obtained from witnesses.

This qualification of the representative of an insurer as a party in interest appears to be premised on the kindred interest of the insurance business and coast guard in preventive safety.

Commander Arzt gave two exam-

ples to illustrate how this works in practice.

Several weeks ago a large merchant ship collided in a dense fog with a party fishing motorboat and cut off the latter's bow.

There were about 60 passengers on the fishing craft, one of whom lost his life. Immediately thereafter a coast guard investigating officer held an investigation at the port where the fishing boat finally made port. Present at the investigation were the representatives of the hull insurer of both vessels, and of the P. & I. insurer.

In another case in 1954 a motorboat owner attempted to defraud an insurer by intentionally burning his boat. The case was first investigated by the coast guard as a marine casualty. It became obvious to the investigating officer that it was not a marine casualty but a fraudulent conspiracy to destroy the vessel for the insurance.

The officer referred the case to the U. S. attorney, who referred it to the FBI. It is understood that in this supplemental investigation the representative of the insurer was permitted to participate.

As a result of this cooperation of all persons having a kindred interest, the owner and his two conspirators were indicted. The owner pleaded guilty and was sentenced to four years in federal prison. His two conspirators pleaded guilty to burning the boat, and were given suspended sentences and placed on five years probation.

Commander Arzt said another example of kindred interest is the coast guard's responsibility, under the recent supreme court decision in *Boudoin vs Lykes Bros. Steamship Co.*, decided Feb. 28, 1955, to ascertain that a vessel is seaworthy as to competent personnel and the insurance interest under a P. & I. policy. The coast guard, in the interest of safety of life at sea, must through its investigative trial procedure take all steps to insure that seamen with a "propensity for evil conduct" are prevented from impairing a vessel's seaworthiness. By the same token, insurers for the same reasons must take similar steps to prevent such seamen from manning the vessels of their insured.

## FBI Official Says Bank Thefts Could be Cut

Prudent selection of personnel might have reduced the incidence of bank robberies in 1954, Edward J. McCabe, assistant special agent in charge of the criminal division of the FBI in New York City, told New York City Surety Underwriters Assn. There were 438 bank robberies in 1954, an increase of 190 or 26.7% over 1950, with thefts totaling \$413 million.

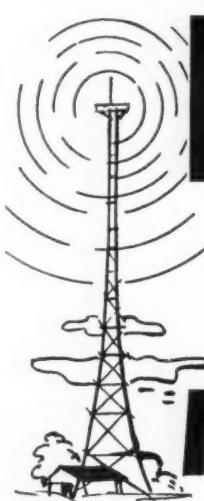
There were 1,103 federal reserve act violations in 1954, with \$5,900,000 stolen, Mr. McCabe said. Management personnel were responsible for 50% of the violations and subordinate employees for the remainder. He said 900 bank officials, insurance men and law enforcement officers attended recent FBI conferences on bank robberies in New York City.

## Wickens and Hart Promoted

James I. Wickens has been appointed sales manager and Edward E. Hart assistant sales manager of Allstate's national accounts branch office, which handles the company's fleet business.

Mr. Wickens joined Allstate last month after 20 years with a Chicago agency.

Mr. Hart joined Allstate in 1947 at Detroit and was named sales manager there in 1951.



# 1100 Radio Stations Coast to Coast... are telling Millions of People about MUTUAL OF OMAHA

ARTHUR GODFREY



DON MCNEILL



BOB CONSIDINE



MAIL THIS TODAY!

**Mutual**  
OF OMAHA



Mutual Benefit Health & Accident Association  
HOME OFFICE: Omaha, Nebr. — CANADIAN HEAD OFFICE: Toronto

V. J. SKUTT, President

Dept. NU

MUTUAL OF OMAHA,  
OMAHA, NEBRASKA,

I am interested in a profitable career with the largest exclusive health and accident company in the world. Please RUSH complete information.

Name \_\_\_\_\_

Address \_\_\_\_\_

Town and State \_\_\_\_\_

## Skandia Observes 100th Anniversary

Skandia of Sweden, which has been in the reinsurance business in this country since 1900, is observing its 100th anniversary this month. Its U.S. branch operations are headed by J. A. Munro, U. S. manager, who is also president of Skandia's subsidiary, Hudson, and of Prudential, which form the Munro group. Group home offices are at New York.

Skandia is the oldest as well as the largest insurer in Sweden and conducts a direct and reinsurance business in other European countries, principally Belgium, the Netherlands and France, and a reinsurance business in Canada. In addition it writes direct fire and casualty business in Columbia and Australia.

Chairman of the company is Gustaf Soderlund and managing director is Ivar Sjogren, both of whom are well-known in American insurance circles, as is Gunnar Kalderen, deputy general manager.

Skandia ranks as the oldest professional reinsurer in this country. It met fully claims arising from the great Baltimore fire of 1904 and the San Francisco catastrophe two years later. Its losses from the latter remained the largest ever paid by it until 1954 when an even greater amount was paid as a result of the hurricanes.

## Spouse of Partner Held Entitled to WC in N. J.

The superior court of New Jersey has held that the wife of a partner and also an employee of a firm is entitled to workmen's compensation from the partnership. The case is that of Dorothy E. Felice vs Anthony Felice and Thomas Felice, d/b/a Felice Office Equipment Co.

Heretofore, New Jersey courts generally have held that an employee is barred from recovering monetary benefits under the compensation act against a partnership employer because she is the wife of one of the partners. The employment was not disputed. Mrs. Felice's wages were included in the aggregate payroll of the partnership upon which the premiums for WC insurance were computed. She was injured and filed a claim for workmen's compensation.

The ruling of the superior court reversed the finding of the division of workmen's compensation and the county court.

It is pointed out that the court's holding with respect to the injured spouse is not only significant in connection with coverage questions and with claims but also in connection with audits. In the case of partnership, the remuneration paid to the spouse of a partner should be included in the determination of premiums.

## G. L. Winkle Goes with Allston-Musante

Gardiner L. Winkle of Riverdale, N. Y., formerly with Equitable Society, Lever Brothers and Beech-Nut Packing Co., has been named account executive of Allston-Musante Associates, New York advertising counsellors in the insurance field.

## Strasser S. F. Speaker

Marland K. Strasser, Assn. of Casualty & Surety Companies' west coast accident prevention specialist, gave the main address at the recent meeting of the driver education and teacher group at San Francisco State College. He warned against overemphasis of the measurement of driver education students. He said in part: "If we develop qualities of skill, maturity and judgment behind the wheel of a high powered automobile we will be devel-

oping skill, judgment, maturity in other complex relationships as well . . . therefore, we must continue to study and learn more and more about the physical, mental and emotional characteristics of the pliable and impressionable adolescents in our custody."

His advice for continued progress included the establishment of driver education and training as an integral part of the general education of every high school student; application of the principles of scientific methods to teaching of driver education and training; providing inspired positive leadership in the field.

## Cal. Agents Association Welcomes 100th Affiliate

California Assn. of Insurance Agents recently welcomed its 100th affiliated local, Seaside, into membership.

Special ceremonies were held in Seaside and welcoming remarks were made by Paul Wolcott Jr., president California association; Ellis P. Tavernetti, director in Seaside, and W. F. Williams, executive secretary. Mr. Tavernetti aided in the formation of the new local which has six agencies as charter members.

Newly elected officers of Seaside are: Edward Harget, president; William Reinhard, vice-president, and John M. Pattullo, secretary.

California is the largest state association within the National association with 100 locals and more than 2600 member agency and brokerage firms.

## Stevens Moves to N. Y.

Fidelity & Deposit and American Bonding have named Horace A. Stevens production department manager at New York. He was formerly manager at Detroit for National Surety.

# SUPPORT

Last week the vice-president of an important company wrote a letter to The National Underwriter regarding advertising, and among other things said:

"Of course, I realize the value of the service that such publications as yours render the business, and for that reason I feel that we should give you a certain amount of support, which we try to do."

The National Underwriter does not need any "support," has not asked for it, and never will. It is engaged in a necessary and legitimate business enterprise. It is, in fact, operating the largest insurance publishing organization in the world. Its activities extend to every branch of insurance. Advertising is simply one of the business commodities it has to sell.

If an insurance company should buy some bonds from an investment house, would there then be talk of its "supporting" the investment company? Is the insurance company which regularly buys typewriters, office space, letterheads, carbon paper, etc., "supporting" the firms from which these purchases are made?

Certainly not. It is, instead, simply doing business with them. Both the buyer and seller are pleased with and profit by the transactions.

So it is with National Underwriter advertising. We offer it for sale because it has a definite, tangible and known value—not for any other reason. Buy it because it will build prestige and results for you. Buy it because it will help your men in the field to get new agents. Buy it for the good will it can create—the exact value of which cannot be measured, but should never be underestimated. Buy it because you need it; because the leading and most successful companies have found it to be of value and show no indications of changing their opinion regarding it. Buy it as a sound investment in the future of your company.

# The NATIONAL UNDERWRITER

Largest Circulation of Any Weekly Insurance Newspaper



**All Around Town**

Home contains our dearest possessions, and all of us want to protect them. Home-owners need fire, extended coverage, additional extended coverage, automobile, personal liability, burglary and theft and personal articles floater coverages. *Have you proposed a survey recently?*

**GENERAL ACCIDENT**  
Fire and Life  
ASSURANCE CORPORATION  
Ltd.  
Est. 1885

**Potomac Insurance Company**  
OF THE DISTRICT OF COLUMBIA  
CHARTERED 1871

**EXECUTIVE OFFICES  
GENERAL BUILDINGS  
PHILADELPHIA**

## Name Two Lawyers N.Y. Deputy Superintendents

Arthur F. Lamanda and Robert J. Malang, New York City lawyers, have been appointed deputy superintendents of insurance of New York.

Mr. Lamanda was admitted to the bar in 1932 and engaged in private practice until 1938 when he became secretary to Judge Valent of New York supreme court. Subsequently he was named secretary to Judge Dickstein and a year ago was appointed a general law assistant to the justices of the supreme court, first department.

Mr. Malang was admitted to the bar in 1938 and engaged in private practice and as a hearing officer in the New York City rent commission before becoming confidential assistant to the board of justices of the first judicial department of the supreme court. He was appointed assistant district attorney in the Bronx in 1952.

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### NAIA Accepts Offer to Meet in Dallas in 1961

National Assn. of Insurance Agents has decided to hold its 1961 convention at Dallas, Sept. 24-27.

Charles R. Eversole, president of the Dallas association, said official acceptance of the invitation has been received from National association headquarters.

### Chicago-Milwaukee Surety Golf Party Set for June 24

Surety Underwriters Assn. of Chicago will have its annual golf party with the Milwaukee association June 24 at Ozaukee Country club near Milwaukee. At this party everyone wins a prize.

### Mich. Department Budget Hiked, Navarre Gets Raise

LANSING, MICH.—The Michigan department's budget for the coming fiscal year, as fixed by the recently adjourned legislature, is slightly higher than that for the current year.

Provision is made for an increase in salary of Commissioner Joseph A. Navarre from \$9,000 to \$10,500 and the grant for personal services generally is boosted sufficiently to permit adding a new field investigator in the agency division. The amount allowed for this is \$4,283 in basic salary plus \$1,200 travel expense.

It was noted by department authorities that the over-all increase of something less than \$12,000 to a total of \$426,700, including the revolving fund for conduct of company examinations, will be partly absorbed by step salary raises for personnel under the civil service system.

It is hoped to obtain further financing by next year to take care of the expense incident to placing life and A & H agents under the qualification law. The law does not become effective until Oct. 1, 1956.

The new budget provides for 69 positions in the department, including the 17 examiners who actually are paid by company reimbursements at a rate of \$31 per day and expenses.

### Genzlinger, Busch, to Group Posts in Chicago, Detroit

Dean F. Genzlinger and Allen B. Busch have been appointed group representatives for Mutual Benefit H. & A. and United Benefit Life.

Mr. Genzlinger, who joined the company in 1953, has been assigned to Chicago and Mr. Busch to Detroit. Both recently completed a six month group training program at Omaha.

### MFA Mutual Wins Safety Award

MFA Mutual has been awarded the

National Safety Council's public interest award for exceptional service to safety in 1954. The award was presented to J. M. Silvey, MFA president, by Paul Jones, director of information of National Safety Council.

### Neumann Joins Hotel Staff

George J. Neumann, formerly production manager with Hartford Accident at Chicago, has joined the sales staff of the Edgewater Beach hotel there.

Many insurance groups meet at the Edgewater Beach. Mr. Neumann for eight years directed national and state meetings for Hartford Accident.

### Insurer Gives Scholarships

Homestead Mutual of Appleton is sponsoring 12 scholarships for Wisconsin farm youths who plan to attend the University of Wisconsin College of Agriculture. They will be in amounts of from \$100 to \$1,000. County winners will be selected in July and the 12 scholarship winners will be named in August.

### Visitor from London

George H. Macintosh of London, a director of Stewart, Smith & Co. there, is spending two months studying operations at the company's New York fire and casualty departments, after which he will return to London.

### B. W. Nelson Transfers to Chicago

Associated Reciprocal Exchanges has transferred B. W. Nelson, Jr., to Chicago as division manager there. Mr. Nelson, who has been in Associated's Los Angeles office, had experience in the engineering and inspection department at the home office in Port Chester and has also been assistant manager of the rating department.

### Seibert to Underwriters Agency

Charles S. Siebert has been named assistant production manager of Underwriters Agency, Chicago. He formerly traveled the Chicago area and downstate Illinois as a multiple line field man. Otis C. Carrillo is chief underwriter. Charles B. Cram is manager of the agency, as well as Reinsurance Agency.

### Oakland Forum Elects J. P. Holland

New officers of Oakland (Cal.) Insurance Forum are: John P. Holland, Withoff & Farley agency, president; Thomas F. Kling, Industrial Indemnity, vice-president; William E. Hancock, secretary; Edward Walsh, Hartford Accident, treasurer, and Edward Bartholomew, Swett & Crawford, program chairman.

Frederick A. O. Schwarz, partner of Davis Polk Wardwell Sunderland & Kiendl, New York City law firm, has been elected to the boards of Federal and Vigilant.

## FIRE UNDERWRITING MANAGER

This top Midwestern Company is willing to pay up to \$12,000. a year for a top man to manage their home office Fire Underwriting department. They have a good agency plant—An excellent reputation and ideal working conditions.

If you feel you have the ability to handle this position send your qualifications confidentially to:

**FERGASON PERSONNEL**  
330 S. Wells St. Chicago 6, Ill.  
Harrison 7-9040

### VIRGINIA SURETY COMPANY, Incorporated

A STOCK INSURANCE COMPANY WRITING THRU AGENTS, AND RATED A (EXCELLENT) IN BEST'S GENERAL POLICYHOLDERS RATINGS. SPECIALIZING EXCLUSIVELY

IN  
AUTOMOBILE BODILY INJURY, PROPERTY DAMAGE, FIRE, THEFT AND COLLISION COVERAGES FOR

### LONG HAUL TRUCKING RISKS

SAFETY ENGINEERING SERVICE AND NATIONWIDE FILING FACILITIES FURNISHED WITHOUT ANY ADDITIONAL COST TO ASSURED.

INQUIRIES FROM AGENTS INVITED.

EXECUTIVE OFFICES

228 SUPERIOR ST.

TOLEDO, OHIO

## Driver Physicals, Compulsory, or UJF

Gov. Harriman and Attorney General Javits of New York advocated periodic medical examinations for automobile drivers and legislation that would protect the public from the uninsured and financially irresponsible motorist at a traffic court conference at Albany.

In a statement read by Solicitor General Moore, Mr. Javits, a Republican, urged either a compulsory plan or an

unsatisfied judgment plan. Mr. Harriman, a democrat, did not mention any specific proposal, but asserted "we must find something."

New York state figures through June 3 showed that 430,321 automobile owners, or 10.8% of the total in the state, were not insured or did not show a means of financial responsibility. Mr. Harriman predicted the total would climb to 450,000 in the next few weeks.

In advocating an examination, particularly physical, to determine the

health and ability of drivers, the governor reported that the motor vehicle bureau was studying the form such an examination would take.

**Mrs. Vincent Murray** has been elected president of the Insurance Women's Assn. of Sioux City, Ia. Other new officers are Mrs. Mabel Ellis, 1st vice-president; Mrs. Adah Lothrop, 2nd vice-president; Mrs. DeLores De Ver, recording secretary; Mrs. Pearl Peters, corresponding secretary; Mrs. Edna Poe, treasurer, and Mrs. Bess Frederickson, parliamentarian.

**Byron W. Murray**, engineer for Hartford Accident, gave a talk on safety and showed films on highway hazards at the June meeting of Insurance Women of Milwaukee.

## Insurer Loses "caused by accident" Case

Alabama supreme court, in Employers of Alabama vs Rives, 8 CCH (Fire & Casualty) 676, held failure to tighten a nut to be an "accident" within the meaning of a liability policy. Rives, the insured, was a contractor and carried liability insurance in Employers under the usual insuring clause which restricted liability to that "caused by accident." He was hired to replace two pumps in a filling station at Alabaster, Ala., the pumps themselves having been obtained elsewhere by the filling station proprietor. About two months after the installation, the proprietor complained about loss of gasoline and a neighbor discovered his well was contaminated with gasoline. Excavation indicated that an employee of Rives had failed to tighten a nut which connected the pumps to the line from the underground gasoline tanks, and that gasoline had leaked through this loose connection.

Employers refused to defend on the ground that this damage was not "caused by accident." Rives settled with the owner of the well and sued the insurer. A lower court held in Rives' favor, the Alabama court of appeals reversed this, but the supreme court reinstated the trial court holding, on the ground that the term "accident" does not exclude human fault or negligence.

## Zurich General A. & L. Now Just Plain Zurich

Zurich General Accident & Liability Insurance Company, Ltd., is changing its name to Zurich Ins. Co.

The change has already been approved by the New York department, and filings have been made in all other states and the District of Columbia.

The decision to make the change is in keeping with the trend toward streamlining and simplification.

## Aetna Life Employees Get Major Medical

A major medical expense group insurance plan has been put into effect for 9,000 employees of Aetna Life affiliated companies and their dependents. The employees are already covered under the group hospitalization and surgical expense insurance.

Maximum benefits under the major medical coverage ranged from \$5,000 with a \$100 deductible to \$10,000 with a \$200 deductible.

The plan covers any non-occupational accident or disease whether or not hospital confinement is involved. It provides for payment of 75% of the medical expenses in excess of the deductible and benefits paid under the basic hospitalization coverages.

Until July 1, the companies are paying the entire cost of the new coverage and after that time the coverage will be contributory with the companies assuming a substantial part of the cost.

## Mutual Benefit H. & A. Orders Electronic Computer

Mutual Benefit H. & A. and United Benefit Life have ordered an IBM 705 electronic data processing machine. It is said the system will be the first applied to large scale A&H operations.

The machine will be used initially in phases of premium collection, premium accounting, premium and claim statistics, agency statistics, rate calculations, actuarial computations and file maintenance.



# This sort of thing can drive you nuts!

Looks like the old shell game. Some squirrely character replaced a chew-on nut with a screw-on nut and it's an indigestible substitute.

To protect your policyholder when he has a broken car window replaced, be sure he gets the same brand and quality of safety glass that's in his other windows . . . not a substitute. (For example: Safety Plate Glass should not be replaced with safety sheet glass.)

P. S. Send for a supply of handy forms for glass replacement orders. Ask for SG-40. Dept. 5965, Libbey-Owens-Ford Glass Company, 608 Madison Avenue, Toledo 3, Ohio.

**LIBBEY·OWENS·FORD**

**SAFETY PLATE**

*a Great Name in Glass*

## Insurance Accounting Is Specialty Type

Examiners of the New York insurance department were told by Senior Examiner Robert J. Merklinger, who is attached to the casualty section of the department's property bureau, that state regulation of insurance financial procedures does not have the aim

or effect of depriving management of its accounting flexibility.

His talk terminated the current 3-year series of in-service training lectures.

He asserted that insurance accounting is neither entirely single entry nor entirely double entry in principle, and is neither entirely predicated on a cash nor on an accrued basis. He described it as a specialty form of accounting

having principles that can be mastered only by study and experience.

The underwriting and investment exhibit was described as a series of interrelated financial statements whose purpose is to show, by accounting classifications, the items that constitute the change in surplus as regards policyholders in the period covered by a financial statement on an accrual and incurred basis. In that respect, it is analogous to a profit and loss statement prepared for commercial corporations.

## Surety for \$36 Million

LOS ANGELES—Morrison-Knudsen Co., Macco Corp., Stolte, Inc., and Peter Kiewitt Sons Co., as joint ventures, have been awarded a \$32,120,000 contract for construction of Tri-Dam and hydrogen plant in Tuolumne county. Cal. Fidelity & Deposit is surety for the first three and Aetna Casualty for Kiewitt. James Stewart Co., Phoenix, has the contract for construction of research laboratory facilities at Edwards air force base at \$1,678,448. New Amsterdam Casualty is surety. A Tiechert & Sons and M. J. Brevanda have the contract for \$2,377,771 for improvement of 1.1 miles of Los Angeles river, near Crompton, Cal. Massachusetts Bonding is on the bond for Tiechert and Hartford Accident for Brevanda.

## Employers, Others Move

Penn Center Plaza is the new location of the Philadelphia offices of Employers group, Ohio Farmers and Towers, Perrin, Forster & Crosby, which were formerly located in the Independence building, at 121 South Broad street and at 12 South 12th street, respectively. U. S. Casualty is also at a new Philadelphia location, 211-227 South 4th street.

## R. I. Accepts Real Estate Bonds in Accidents

Rhode Island has put into effect an order allowing uninsured drivers to post a real estate bond in lieu of cash in automobile accident cases. Real estate was added to the types of security the motor vehicle registry will accept in an effort to reduce appeals from license and registration suspensions of drivers unable to furnish cash bonds as evidence of financial responsibility. There are 200 such cases pending.

In a current appeal case the judge refused to rule whether the registry was legally bound to accept real estate and said he had some doubts about it. Real estate will not be immediately available to satisfy accident judgments, but will have to be levied on in still another action, he said.

## Top Prize to Ohio Farm Bureau

Minutes, a quarterly magazine published by Ohio Farm Bureau companies for its policyholders, was awarded one of 18 first prizes at the International Council of Industrial Editors in Louisville, Ky.

The magazine, edited by William Chambliss, was entered in the classification of "external magazines which promote understanding of their companies and place no special emphasis on sales promotion."

## Pray Partner in Brokerage Firm

Samuel W. Pray, who has been employed by Lukens, Savage & Washburn, Philadelphia and New York brokerage firm, has been admitted as a partner in the firm.

## Balboa to Raise Capital

LOS ANGELES—Balboa Ins. Co. of Los Angeles has applied to the California department for a closed permit to issue and sell 6,000 shares of its capital stock to its sole stockholder, Seaboard Finance. This permit asks to sell 3,500 shares at par value of

\$100 per share and to issue 2,500 shares as a stock dividend. The company, which at last report, had \$400,000 capital and \$784,818 surplus, will transfer sufficient surplus to capital account to provide \$1 million capital and thus qualify for a multiple line certificate.

## Memphis Board Elects

Memphis board has elected Stafford H. Warner, vice-president of E. H. Crump & Co., president, succeeding James H. Weter, Boyle Investment Co.

W. Tom Avery, Galbreath Ins. Co., and A. Brit Acred, Guaranty agency, were chosen vice-president and secretary, respectively. Elected to the board were Carl E. Stanton, Stanton & McGhee; Frank W. Fisher, Anderson, Fischer & Vaughn; R. E. Hanson, Dave Dernon agency; Phil M. Turner, Wade Bros.; Samuel E. Angier, Joyner & Angier; T. B. Schabel, Marx & Bensdorf, and Mr. Wetter.

## Manning Raised by GAB

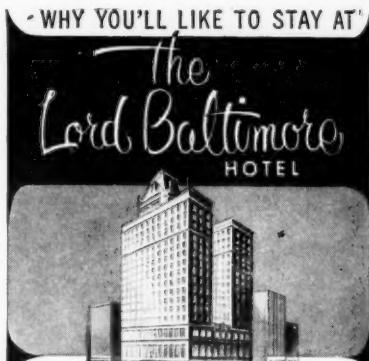
General Adjustment Bureau has promoted Charles A. Manning to assistant manager of the automobile-casualty division at San Francisco. Mr. Manning has been with GAB since 1949 and prior to that was an independent adjuster in Las Vegas.

The GAB office in Redding, Cal., has moved to 1607 Market street.

## New Orleans TIS Honored

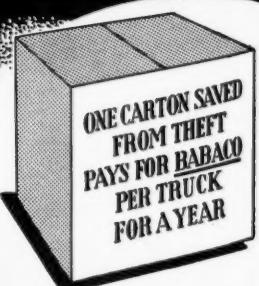
Trained Insurance Specialists chapter of New Orleans has received a special traffic safety award from Metropolitan New Orleans Safety Council for its June, 1954, safety campaign. This was adjudged the winner among business and professional groups competing during a 12 month period.

WHY YOU'LL LIKE TO STAY AT  
*The Lord Baltimore HOTEL*



In downtown Baltimore . . . within walking distance of nearly every place you'll want to go. Teletype: BA263.

## DO YOU KNOW . . . ?



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BABACO SYSTEM

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NEW YORK 14, N.Y.

# HERE is the answer

## AGENTS AND BROKERS ERRORS & OMISSIONS COVER BROADENED

Those whose business it is to protect others should be among the first to protect themselves. Now you—as an agent or broker—can safeguard your business for less, and at the same time enjoy broader coverage than ever before.

Under the new contract, the deductible applies only to the loss—and does not apply to costs or expenses incurred in the defense of such loss.

In addition, you can now save money by purchasing Agents & Brokers Errors and Omissions for a three year term at 2 1/2 times the annual premium. Or, if you prefer, a three year policy at three times the annual premium less ten percent payable on a 40%—30%—30% installment basis.

Further savings result from the reduced rates and increased commission we can now allow.

For a prompt quotation on this invaluable plan, call or write us. And remember, for the best in special risk underwriting, you need look no further than Geo. F. Brown & Sons.

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DENVER • LEXINGTON • ATLANTA • NEW YORK • LONDON

## The Successful Agent is a GOOD STUDENT

There's so very much to know these days about insurance as a whole and each client's needs in particular that the successful agent is seriously studious about his profession. He believes in rendering better service through greater knowledge. And he quite naturally prefers to associate himself with companies which are geared to give him practical, helpful aids to his career.

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P. O. BOX 1662

### Insurance Company

T. EARNEST GAMMAGE JR., EXEC. V. P.  
HOUSTON 1, TEXAS

## Balboa to Raise Capital

LOS ANGELES—Balboa Ins. Co. of Los Angeles has applied to the California department for a closed permit to issue and sell 6,000 shares of its capital stock to its sole stockholder, Seaboard Finance. This permit asks to sell 3,500 shares at par value of

## Bokman Sees Specialty Insurers Beginning to Reach for Business

The specialty writer competition gives clear indications that the business has reached some kind of a saturation point in the automobile new business field, Charles H. Bokman, resident vice-president of New Amsterdam Casualty at Pittsburgh, told Cleveland Assn. of Casualty & Surety Managers.

Stepped up advertising by all these competitors, some even appropriating the promise of agency service; more and more emphasis on price, and rate reductions in various territories all point to the fact that they are beginning to feel the pinch of stiff competition. Low commission on renewals; rough, even ruthless, canceling of good, normal automobile risks that had one or two unfortunate mishaps by the so-called careful driver underwriters—all are taking their toll and playing into the hands of alert agents, he said.

As competitors' large volumes of automobile insurance level off they will have much more to worry about than just more and more production, Mr. Bokman believes. Many normal influences of the business are not apparent until volume levels off.

There are changes in the type of prospects for automobile insurance, he added. Not long ago only persons of some financial means could afford an automobile and pay cash for insurance. They were prospects and became policyholders. Easy credit terms on auto purchases brought the luxury of an automobile to millions. It is essential to bring good substantial insurance sold through agents within the reach of these millions, he said. Many agents have set up plans for financing premiums and other plans for making good insurance available on easy plans. Everyone should concentrate on making the product easy for the public to buy—at the lowest possible cost consistent with safety—but never at the sacrifice of one iota of any of the services that go with complete insurance.

It used to be that agents could seek out prospects and sell them on the need for insurance, he went on. At that stage agents needed only to provide insurance for those they had sold on the need. Now most persons are sold on the need and unless agents seek them out and sell them good insurance, naturally they look for insurance on their own. They buy the first thing they hear advertised and, not knowing the difference between insurance and genuine insurance plus agency service, they buy the cheapest insurance they can in the belief that just any insurance will do.

How to meet competition of specialty companies, direct writers and sales of automobile insurance over the counter in department stores and similar places? The best way is to get to these prospects first, he urged. There was a time when an automobile owner hardly had signed the application for the title to his new car before an alert agent was soliciting the insurance he needed. If prospects are finding it possible to wander into department stores looking for insurance bargains, someone is not doing his job.

Equally as important as calling on prospects is to know the business thoroughly. "We must have all the answers and our salesmen must be equipped with a top sales talk that is capable of doing the job before us," he said.

Those foolish enough to be complacent overlook the elementary fact that as the specialty companies get bigger, they are not only going to be competitors in automobile but will undertake other classifications and eventually classifications straight across the board.

## Lucy Heads New Assn. of Bond Underwriters

William Lucy of U. S. F. & G. was elected president of Assn. of Bond Underwriters of New York City at the first formal election meeting of that

organization since it was organized informally in October. Other officers are John B. Lamb of Continental Casualty, vice-president; John J. Keller of American Automobile, secretary; and Gordon C. Sleeper Jr. of Travelers Indemnity, treasurer. Executive committee members are Thomas E. McGuire of Hartford Accident, Walter C. Pratz of National Surety, William S. Vial of American Surety, James P. Casey of Maryland Casualty, and J. Perry Mee Jr. of Century Indemnity.

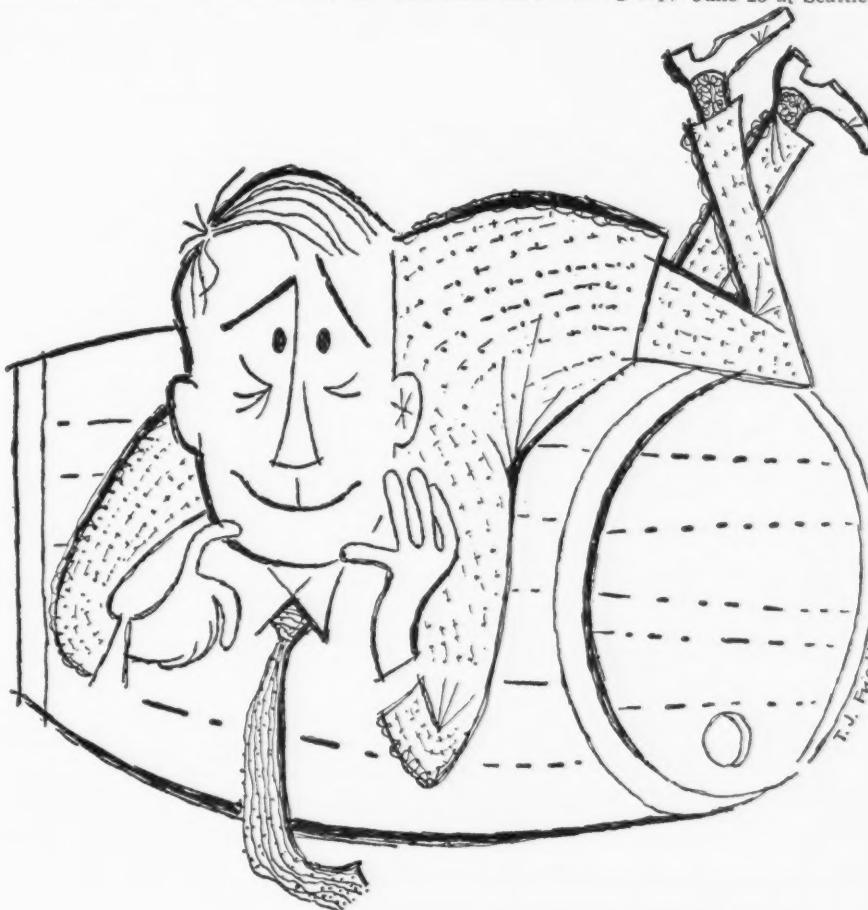
Guy E. Conrath, supervisor of the bond department of the New York office of American Associated group,

was guest speaker and discussed contract bonds.

The organization, which meets on the second Wednesday of each month, was founded to promote a better understanding of the fidelity-surety business on the part of its members who are generally below the managerial or department head level, and are particularly interested in fidelity and contract bond underwriting.

## Wash. Surplus Line Men to Meet

The annual meeting of Surplus Line Assn. of Washington has been set for June 28 at Seattle.



Are you the agent who knows where he stands

— or are you

## OVER A BARREL ON YOUR PAYROLL AUDITS?

Protection of the agent against collection losses! Prompt information on commissions due! These are the benefits of Bituminous' *johnny-on-the-spot payroll auditing* of workmen's compensation risks. They put the agent in a much happier position than that of the poor guy pictured, who doesn't know where he stands! Bituminous agents, on the other hand, enjoy 30-day service (or less!) on all their workmen's compensation audits. Bituminous has the man power, the system and the initiative to get the job done. Get set with Bituminous and see.

Write today for the Bituminous story.

# BITUMINOUS



CASUALTY CORPORATION

BITUMINOUS FIRE AND MARINE INSURANCE COMPANY

Rock Island, Illinois

Specialists in Workmen's Compensation

## New Casualty Insurer Incorporated in Tenn.

Casualty Ins. Co. of Tennessee, a wholly owned subsidiary of Life & Casualty, has been incorporated, with authorized common capital stock of \$200,000 and paid in surplus of \$100,-

000. The company will issue policies covering all hazards of loss or damage to real or personal property.

The new insurer has the same officers and directors as the parent company. Paul Mountcastle is chairman and the president is Guilford Dudley Jr.



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- ★ Excellent Lloyd's, London Facilities
- ★ Substantial Capacities      ★ Friendly Service
- ★ Full Underwriting and Production Facilities

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- Atlas Underwriters Agency (Fire California only)
- Old Colony Insurance Company
- Connecticut Fire Insurance Company (Ocean Marine)
- Boston Insurance Company (British Columbia only)

441 California Street  
San Francisco 4, Calif.

Dexter Horton Building  
Seattle 4, Wash.

3665 West Sixth Street  
Los Angeles 14, Calif.

Equitable Building  
Portland 4, Oregon



For generations the traditional cry of the circus and carnival worker when trouble is brewing has been, "Hey Rube!" This sends the other workers running to the trouble spot to lend a hand.

Today amusement park and carnival proprietors call to insurance producers in advance of trouble to obtain the public liability coverages which their specialized enterprises demand.

The insurance producer can in turn call upon Illinois R. B. Jones for the best of service on this type of insurance. Don't pass up the opportunities which this service can open up to you in your community.

## Baldwin V-P of Southern

Jack E. Baldwin has been appointed executive vice-president and a director of Southern of Dallas. He also has been named vice-president and a director of Industrial Life. Both companies are subsidiaries of Allied Finance.

Mr. Baldwin has been vice-president of Resolute of Hartford and vice-president of Resolute Credit Life for five years.



REPRESENTING

Lloyds London

## Illinois R. B. Jones Inc.

175 W. Jackson Blvd., Chicago 4, Ill. • WAbash 2-8544  
C. Reid Cloon, President

1401 Peachtree St. N.E., Atlanta, Ga. • Emerson 2584

William E. Lersch, Vice-President

## Travelers Board OKs 20-for-1 Split, Stock Dividend

A 20-for-1 stock split plus a dividend of one share for each four held were approved by Travelers board. If its action is approved by stockholders at a special meeting July 15 stock transfer books will be closed from that date to Aug. 15 when the new stock would be issued to holders of record July 15.

Under the proposal anyone holding one share of Travelers at present would own 25 on Aug. 15. The company has indicated it expects to pay 20 cents a share in the September quarter.

The split would be accomplished by converting the present 500,000 shares of capital stock of a par value of \$100 to 8 million shares at \$5. The dividend would be arranged by increasing the outstanding capital stock from \$40 million to \$50 million by issuing 2 million additional shares at \$5 par, which would be paid for by the company by the transferring of \$10 million from surplus to capital.

### Security-Connecticut Enters Life Field

Security of New Haven has been granted an ordinary life charter for its proposed wholly-owned subsidiary to be known as Security-Connecticut Life. Gov. Ribicoff signed the charter. When the life company is organized, Security-Connecticut companies will write practically all forms of insurance throughout the country.

### Seeks GI Dependents Health Plan

A federal government financed health insurance plan for dependents of military personnel has been proposed by Dr. Henry S. Blake, representing National Medical Veterans Society, to the Senate armed services committee. Such a plan, he said, would enable dependents to have private medical care and would reduce the load on military doctors.

Farmers & Merchants of Tulsa have been licensed in Missouri, and Globe Mutual of Kansas City has ceased writing business in Missouri.

## Miss. Agents' Assn. Elects, Opposes Installment Premium

Mississippi Assn. of Insurance Agents, at its largest convention in 57 years, adopted resolutions reaffirming their faith in the agency system and requesting that companies standardize their methods of advertising.

B. Harvard Jr. of Gulfport was elected president to succeed Harris Holland of Columbus. Warner Wells Jr. of Greenwood was elected vice-president and David J. Brewer of Greenwood was elected state national director to succeed E. H. Ruble, who retired after a seven-year term.

New board members are: J. W. Yarbrough, Clarksdale; Lee Meyer, Meridian; Morgan Ellsworth, McComb; Frederick Vann, Corinth, and Peter DeLashmet, Moss Point.

The convention was attended by more than 425 agents and some 70 children, who conducted a meeting of Mississippi Assn. of Junior Insurance Agents.

Mr. Holland called on agents and company men to work together for the betterment and advancement of the insurance fraternity. Other speakers were Joseph Neuman of Jamaica, N.Y., president of the National association; L. C. Spencer Jr.; James P. Walker of Augusta, Ga.; Commissioner Walter D. Davis of Mississippi and James F. White, advertising director for Maryland Casualty.

The association voted to oppose installment premium plans which were discussed by Mr. Holland, Carl Stanton of Memphis, John P. Wilson Jr. of Mobile, Ala.; Gibson Stevenson of Houma, La., and Hoyt T. Holland Sr. of Jackson.

### More FTC Hearings Now Going On

Federal trade commission is holding hearings on complaints against Girardian at Dallas before examiner Cox, and Bankers Life & Casualty at Chicago before examiner Laughlin.

### Few Bills of Insurance Interest Passed in Mo.

The Missouri legislature passed few bills of insurance interest in its recent session. Among the measures which did get through was one affecting the workmen's compensation second injury fund to provide for use of a portion of the premium tax paid by insurers and self-insurers in lieu of the penalty payment now made by employers and insurers. It also clarifies the liability of an employer for second injury where permanent total disability does not result.

Among the bills that failed to pass the uniform A&H policy measure and the fair trade practices bill.

### Two Big Pacific Coast Bonds

LOS ANGELES—L. E. Dixon Co. of Los Angeles and Arundel Co. of Baltimore have been awarded the contract by the city of Tacoma, Wash., for construction of a dam and powerhouse at a price of \$10,863,140. Fidelity & Deposit is surety on the work.

Robert E. McKee, Los Angeles, has been awarded the contract at \$2,323,000 by the veterans administration for construction of a medical and surgical building at Los Angeles. American Surety is on this bond.

**Barr Adjustment** has moved its Los Angeles office to larger quarters at 615 South Oxford. Richard L. Hall has been named manager. He has been at Los Angeles with Royal-Liverpool group. Barr Adjustment now has offices in nine California cities.

## Interpret Basic Medical Payments as Combined Cover

With the combination of automobile extended medical payments and basic medical payments insurance, National Bureau has announced that policies outstanding as of May 25, the effective date, containing basic medical payments insurance will be interpreted as affording the extended coverage from May 25 to normal expiration date with respect to accidents occurring on or after that date. This extension of coverage is effective in District of Columbia, Alaska and Puerto Rico and all states except Kansas, Massachusetts, Texas and Virginia.

Mutual Bureau is making substantially the same announcement for 40 states and the District of Columbia where its combined medical payments insurance became effective May 25. For policyholders carrying basic and extended medical payments in separate coverages, the charge for the combined coverage will be adjusted on a pro rata basis and the premium for that portion of the policy term subsequent to May 25 will be payable to insured. Modifications of this rule will apply in Indiana and New Jersey.

## Tenn. Agents Annual Slated Oct. 24-25

Tennessee Assn. of Insurance Agents will hold its annual meeting Oct. 24 and 25 at Andrew Johnson hotel Knoxville.

## Detroit Bank Ad Stresses Role of Local Agent in Insurance Selling

Manufacturers National Bank of Detroit is sponsoring a 1,000 line advertisement saluting the fire and casualty insurance industry and its system of selling through local agents. The advertisement, one of a series devoted to stressing the importance of various industries in the economy, will run in

## New Hand-Book Out for North Cal., Nevada

A new, up-to-date Underwriters Hand-Book of Northern California and Nevada has just been published by the National Underwriter Co.

This hand-book, together with its companion volume, the Underwriters Hand-Book of Southern California and Arizona, to be published in a few weeks, will provide complete information on the agencies, companies, coast departments, field men, general agents and brokers, together with data concerning groups and all organizations affiliated with insurance throughout these three states.

The dividing line in California is at Kern and San Luis Obispo counties, which are shown in both volumes for the convenience of users of each.

Premiums and losses by lines within California for all fire and casualty companies, and life insurance paid for and in force for life companies will also be presented in a special statistical supplement which will be sent later to all subscribers for either California handbook. Orders for the Northern California handbook, now ready, or for the Southern California handbook, coming out soon, should be addressed to the National Underwriter Co., 420 East 4th street, Cincinnati 2, or at the Pacific Coast office, 507 Flatiron building, San Francisco 4. Price—\$15.00 each.

Detroit newspapers during June. Edwin Bird Wilson, Inc., of New York, is the advertising agency handling the account.

## Gulf Opens Indianapolis Casualty Department

Gulf of Dallas, which recently opened a casualty department at their home office, under the management of W. J. Boulet, will open a similar department at Indianapolis.

Forrest E. Harter, former special agent for General Accident at Indianapolis, will be in charge of the new department, which supervises In-

diana, Illinois, Ohio, Pennsylvania, and West Virginia. Mr. Harter has also served with the casualty department of C. E. Perkins agency at South Bend, and with Ohio Casualty.

## Hartford A. & I. Gives Melander Promotion

Hartford Accident has promoted Arnold W. Melander from field supervisor of the agents service department to assistant manager.

He joined the company in 1936 and was an underwriter in the home office automobile department before transferring in 1940 to Pittsburgh

where he was supervising automobile underwriter. A year later he returned to Hartford to join the staff of the agents service department.

## Feted by D. C. Agents

WASHINGTON—District of Columbia Assn. of Insurance Agents was host to Ceferino Villar, insurance commissioner of the Philippines, at an outing. He is on a world trip studying insurance laws and policies in the various countries.

Hardware Indemnity of Minneapolis has changed its name to American Hardware Indemnity.

# INLAND MARINE

## ...giant money-maker

Although a comparative infant in the industry and a virtual "step child" with most producers, INLAND MARINE premium volume balloons skyward year after year... it's the giant money-maker of all insurance lines.

Our newest PRODUCTION FOR PROFIT kit shows you all the technical points and sales ideas necessary to make INLAND MARINE coverages your favorite money-maker and one of your most reliable means of bettering your service to clients.

More and more producers in offices just like yours are discovering that INLAND MARINE is not only easy to understand and to sell, but opens a whole new prospect field.

Send the coupon for a free copy of this new INLAND MARINE kit. Then read it and start to earn your share of this giant money-maker.



FIREMAN'S FUND  
INSURANCE COMPANY



NATIONAL SURETY  
CORPORATION



FIREMAN'S FUND  
INDEMNITY COMPANY



HOME FIRE & MARINE  
INSURANCE COMPANY

FIREMAN'S FUND INSURANCE GROUP  
401 California Street • San Francisco

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Please send me a copy of your new PRODUCTION FOR PROFIT kit on INLAND MARINE.

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# Metropolitan Fire Assurance Company



## AUTOMATIC TREATY REINSURANCE

Contributes to  
Small Individual Losses  
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Dial your problems away. Manpower, Inc., employees will solve all your temporary, seasonal, peak load, emergency and vacation problems.



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**manpower, inc.<sup>®</sup>**  
Nation's Largest Complete Business Service

## Convention Dates

June 19-21, New England Assn. of Insurance Agents, annual, Poland Spring, Me.

June 19-23, American Assn. of Managing General Agents, annual, Mark Hopkins hotel, San Francisco.

June 23-24, Missouri Assn. of Mutual Insurance Agents, annual, Hotel President, Kansas City.

June 23-25, North Carolina Assn. of Mutual Insurance Agents, annual, Blowing Rock.

June 24-25, Upper Peninsula Assn. of Insurance Agents, Gateway hotel, Land O'Lakes, Wis.

June 26-28, Insurance Advertising Conference, Claridge hotel, Atlantic City, N. J.

June 26-29, National Assn. of Public Insurance Adjusters, Concord hotel, Kalmesha Lake, N. Y.

July 7-9, International Assn. of Insurance Counsel, annual, Hotel del Coronado, Coronado, Cal.

Aug. 7-11, Honorable Order of Blue Goose, Grand Nest, Muehlbach hotel, Kansas City.

Aug. 14-17, West Virginia Assn. of Insurance Agents, annual, Greenbrier hotel, White Sulphur Springs.

Aug. 17-20, Federation of Insurance Counsel, annual, Sheraton Park hotel, Washington, D. C.

Aug. 21, American Bar Assn. insurance law section, annual, Philadelphia.

Aug. 22-23, South Dakota Assn. of Insurance Agents, annual, Rapid City.

Sept. 5-7, International Federation of Commercial Travelers Insurance Organizations, annual, Sun Valley Lodge, Sun Valley, Idaho.

Sept. 11-13, Pennsylvania Assn. of Insurance Agents, annual, William Penn hotel, Pittsburgh.

Sept. 11-14, Idaho Assn. of Insurance Agents, annual, Sun Valley Lodge, Sun Valley.

Sept. 12, Vermont Assn. of Insurance Agents, annual, Lake Morey Inn, Fairlee.

Sept. 12-13, Utah Assn. of Insurance Agents, annual.

Sept. 12-14, International Claim Assn., annual, Lake Placid Club, Lake Placid, New York.

Sept. 14-16, Illinois Assn. of Mutual Insurance Companies, annual, Pere Marquette hotel, Peoria.

Sept. 14-16, Maine Assn. of Insurance Agents, annual, The Samoset, Rockland.

Sept. 14-16, Michigan Assn. of Insurance Agents, annual, Pantlind hotel, Grand Rapids.

Sept. 15-16, New Jersey Assn. of Insurance Agents, annual, Chalfonte-Haddon Hall, Atlantic City.

Sept. 15-17, Louisiana Assn. of Mutual Insurance Agents, annual, Edgewater Gulf hotel, Edgewater Park, Miss.

Sept. 15-17, Montana Assn. of Insurance Agents, annual, Northern hotel, Billings.

Sept. 18-20, Washington Assn. of Insurance Agents, annual, Leamington hotel, Bellingham, Bellingham.

Sept. 19-20, Minnesota Assn. of Mutual Insurance Agents, annual, Leamington hotel, Minneapolis.

Sept. 19-21, New Hampshire Assn. of Insurance Agents, annual, Wentworth-by-the-Sea hotel, Portsmouth.

Sept. 20-21, South Carolina Assn. of Insurance Agents, annual, Columbia hotel, Columbia.

Sept. 20-23, Mutual Loss Managers Conference, Chicago.

Sept. 22-23, Oregon Assn. of Insurance Agents, annual, Multnomah hotel, Portland.

Sept. 25-27, Kentucky Assn. of Mutual Insurance Agents, annual, Kentucky hotel, Louisville.

Sept. 26-27, Mutual Agents of New England, Hotel Somerset, Boston.

Sept. 26-28, Bureau of Accident & Health Underwriters, annual, Mount Washington hotel, Bretton Woods, N. H.

Sept. 28-30, Society of Chartered Property & Casualty Underwriters, annual, Fairmont hotel, San Francisco.

Sept. 29-Oct. 1, Nevada Assn. of Insurance Agents, annual, Sahara hotel, Las Vegas.

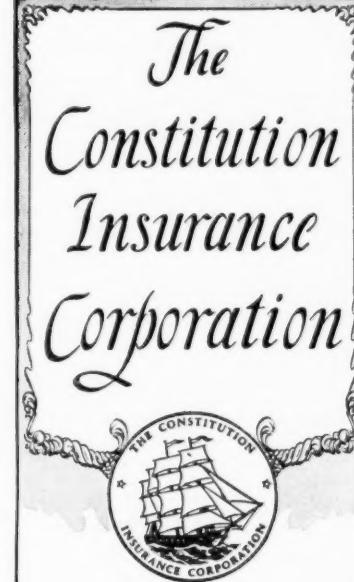
Oct. 2-5, National Assn. of Casualty & Surety Agents, annual, The Greenbrier, White Sulphur Springs, W. Va.

Oct. 3-5, National Assn. of Insurance Agents, annual, Statler and Biltmore hotels, Los Angeles.

Oct. 3-6, California Assn. of Insurance Agents, annual, Biltmore and Statler hotels, Los Angeles.

Oct. 9-12, Conference of Mutual Casualty Companies, Jefferson hotel, St. Louis.

Oct. 9-13, National Assn. of Mutual Insurance Companies, annual, Jefferson hotel, St. Louis.



## REINSURANCE

### FIRE and ALLIED LINES

Henri G. Ibsen

President

90 JOHN STREET  
NEW YORK 38  
NEW YORK

## Service Guide

The LAWRENCE WILSON COMPANY  
Managing General Agents  
"Unexcelled Insurance Facilities"  
SERVICE TO LOCAL AGENTS  
AND BROKERS EXCLUSIVELY  
First National Bank Bldg., Tulsa 3, Okla.

Consultants  
in Marketing and Management  
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FRANK LANG and ASSOCIATES  
1 NORTH LA SALLE STREET  
CHICAGO 2, ILL. FRANKLIN 2-2795

EXCESS - SURPLUS

Insurance

Arnold Chait  
150 BROADWAY  
NEW YORK 38, N. Y.  
BEEKMAN 3-7222  
"Placing the Unplaceable"

# Fire and Casualty Insurance

## COMMENTS - TRENDS - OBSERVATIONS

### SUGGESTS SOCIO-ECONOMIC PROBLEMS

#### Study of Auto Personal Injury Loss, Recovery and Insurer Claim Practice

The bureau of economic and business research of Temple University conducted a study in 1954 to obtain facts concerning the costs of personal injuries resulting from automobile accidents in the Philadelphia area and to show how and to what extent these costs have been met. The study was directed by John F. Adams, director of the bureau, and the results of the study and conclusions were published in the March *Economics & Business Bulletin* of the university's school of business and public administration.

Based on surveys of individual accident victims and their survivors and analyses of the claim practices of 16 insurers, the study suggests a number of pressing socio-economic problems which need attention and certain conclusions regarding claims operations of liability insurers. Financial support for the study was supplied by Farm Bureau Mutual Automobile of Columbus, which also made available consultation of its research staff.

The accidents occurred in six months of 1953; those selected for study were fatal or involved non-fatal personal injuries, the latter being defined essentially as hospital cases. In addition to interviewing the injured or survivors of those killed in accidents, the study took up the claim procedures of 16 insurers.

The study states that it may be concluded:

Personal injuries resulting from automobile accidents result in out of pocket loss, a large part of which is never recovered.

Recoveries may be obtained under third party liability or directly under personal insurance, though more are obtained under the former.

The majority of all recoveries are made under insured third party liability.

Accidents are currently being adjusted for settlement on some basis other than absolute liability, comparative negligence apparently being the rule.

The existence of insurance materially improves the chance of recovery, regardless of liability.

Insurers, though they make settlement in a substantial majority of all cases, are utilizing comparative negligence and personal judgments to arrive at the decision to settle and for what amount.

Settlement amounts have little equity as between groups, injuries,

and circumstances, varying with litigation.

The retention of an attorney appears substantially to improve the chances of the victim collecting as well as to increase the size of the settlement.

The attitudes of insurers calling for "buying" claims for as little as possible and the deterioration of the application of strict legal principles of liability to settling such cases has given rise to the situation immediately above. One answer to the situation appears to be the development of the "brief presentation and equitable offers".

There is real need for a clear cut decision on the question of liability, with possible new approaches or new types of coverages, as for example, a compensation form, being developed to handle most claims.

Compulsory liability insurance will not necessarily reduce the total personal losses. If present methods are followed, costs to all insured would probably be increased by compulsory.

Some company and some attorney attitudes favor the development of a compensation coverage to help meet the present liability situation. However, half of the companies surveyed opposed it on philosophical or technical grounds and most of the attorneys opposed it as an invasion of individual rights.

The study further concluded:

There is a high concentration of automobile accidents in congested urban areas though severity seems less than in outlying areas.

A substantial proportion (about half) of all urban automobile accidents involve pedestrians, a large percentage of whom are children.

Injuries vary with status, pedestrians, on the whole, suffering the most serious injuries.

The seriousness of injuries varies with age, recoveries from injuries which would result in death for persons above 60 being common among children.

Passengers, although not as seriously injured as pedestrians, appear to have the greatest chance of financial recovery.

Pedestrians rank second in terms of chances of financial recovery, there being some variation with age, accident and personal circumstances.

There are wide differences in medical and other costs for all types of injuries. They range from less than

\$50 to as much as \$2,500 for a broken leg, for example.

Recoveries vary widely for similar injuries, the variables being liability, type of injury, personal factors, local attitudes, and, importantly, the attorney involved.

Claimants frequently have to borrow funds or seek assistance during the period of disability. Cash advances to the victim by the insurer in cases where settlement is believed to be due might improve public relations and, possibly reduce the number of litigated cases.

A study of claims procedures and practices at the company level indicates a general similarity in approach, with certain notable exceptions, the principal differences being in emphasis. Organizationally, the companies divide into two broad groups, those having field supervision and considerable local autonomy, or those having home office supervision and little local autonomy. Settlement ratios vary widely by company from 42 to 83% of claims filed. There is a considerable variation in procedure in investigating claims. Some companies seek an early settlement at the expense of thorough investigation while others refuse to settle until a thorough investigation is completed. Results are not generally predictable, those emphasizing early settlement do not necessarily have the highest settlement ratios. Neither do these companies have the lowest allocated claim costs. The willingness of companies to settle for medical and other expenses and make an allowance for pain and suffering or punitive damages depends upon the estimated degree of liability, with payments being made in cases where the insured driver has liability of 10% up to 100%. The amounts offered vary in accordance with estimated liability, though ultimate settlements show little pattern of relationship to liability, other personal factors, especially retention of counsel, being more important.

Company attitudes suggest the need for reappraisal of liability procedures (though few admit that the principles have been modified).

The study points out that it is apparent that settlements in cases in which an attorney is retained are superior to those settled directly, especially in insured cases. It appears, therefore, that there is some justification for the claim that legal counsel will help to assure that the victim will get what his case is worth. In general, it seems that insurers have responded more favorably toward claims in fatal than in injury cases. It appears, however, that survivors' attitudes toward insurers also lead to retention of counsel and comparatively with some what better settlement results than in cases settled directly.

(CONTINUED ON PAGE 30)

### Hasn't Lost Auto Business, Doesn't Mail Renewals

In response to an inquiry from THE NATIONAL UNDERWRITER, S. E. Barringer sales promotion manager of the Wilmington, Del. agency of J. A. Montgomery, Inc., which has a quite substantial volume of auto business, writes:

We have not made a drive for automobile business, specifically, for some time. Probably some such effort would have been put forth this spring were it not for the success of our continuing attention to the homeowners policy, which we are pretty well sold on and have sold to our customers—including new ones, of course—in large volume.

Over the years a substantial volume of automobile business has accumulated on our books through various general and sometimes special selling plans and very little has been lost to cut-rate competition, probably due, in large measure, to the excellent claim service our companies have rendered and to the fact that renewals are not mailed out automatically but, instead, our customers are contacted and some additional selling proffered in each case.

### 19 Agents Graduated from Aetna Fire School

Clinton L. Allen, president of Aetna Fire, was the principal speaker at a luncheon given at the Hartford club at the completion of Aetna Fire group's 16th multiple line training school from which 19 agents from all sections of the country, Puerto Rico and Canada were graduates.

### You Don't Hardly Find Them Kind No More

"A home where the buffalo roam" may be romantic for song writers—but for Home of New York a roaming buffalo ended up in an insurance claim.

Murray Hughes, Home's Oklahoma manager, reports paying \$300 on a collision between an automobile and a buffalo near El Reno, Okla. The policyholder said he was driving near El Reno when "suddenly a wild buffalo jumped out of the left bar ditch and charged my left front headlight. He hit the hood, grill and left front fender of my car. Following the collision I walked back to see if I had killed the buffalo. It was a light enough night that I could see the buffalo had gone into a field and was eating alfalfa."

It was learned later that the animal had escaped from the El Reno zoo.

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## Insurance School Prize, Certificate Winners Listed

Prizes and certificates were presented to top students of school of insurance of Insurance Society of New York at the closing exercises. T. Morgan Williams, vice-president of Home, presented the prizes and J. Dewey Dorsett, general manager of Assn. of Casualty & Surety Companies the certificates.

The principal speaker at the exercises was Ralph R. Lounsbury, president of Bankers National Life.

Prize winners in various courses in the order in which they finished them were: A&H, Randall C. Hall & Alexander; accounting principles—fall, William D. Irwin of American Home and Charles L. Schultz of Great American (tied) and spring, George P. Goldbeck of Home; agents and brokers, Philip J. Kelly Jr. of Alexander Smith, Inc.; bonding—fidelity, Arthur I. Stukhart of Kemper group and Norman E. McPherson of Great American Indemnity (tied) and Edward B. Ayres of Chubb & Son, and suretyship, Mr. Stukhart, Gordon Harrower of Chubb & Son and Francis X. LeMunyon of America Fore group.

Casualty contracts—fall, Donald T. Kipp of Great American Indemnity and Edwin J. Blair of General Fire & Casualty, and spring, Donald A. Wills of Hanover Fire and Robert C. Biermann, self-employed; commercial geography, Rufus Barringer of Chubb & Son; fire contracts—fall, Mr. Biermann, and spring, John E. Casey of Hoey Ellison & Frost; fire risk-physical aspects—fall, Stephen W. Gorey of Great American and spring, Gerard B. De Baun of America Fore group.

Inland marine—fall, David E. Burke of Royal-Liverpool group, and spring, Robert P. Fajardo of Fireman's Fund group; insurance accounting, Irwin D. Goldblatt of Public Service Mutual; introduction to insurance and suretyship (leading women students)—fall, Anne D. Gilmartin of America Fore group, and spring, Mary E. Hurt of Royal-Liverpool group; general insurance seminar—fall George F. Bingham of American Tobacco Co., and spring, Gerard M. Ferguson of Buhler Service Corp.

Ocean marine cargo—fall David Wolfe of W. J. Roberts & Co., John E. Garvey of States Marine Corp. and Richard P. Dempsey of American Foreign Insurance Assn., and spring, Leonard G. Tubbs Jr. of Home, Joseph F. De Mul of Atlantic Mutual and Margaret G. Turner of Gulf Oil Corp. Certificate recipients were: casualty underwriting, Walter E. John of American Casualty, William D. Senior of Atlantic Mutual and Laurence J. Spiker Jr. of American Surety; fire underwriting, John F. Burke of America Fore group, James J. Crowe of New York Underwriters and Donald C. Theodore of Pacific Fire.

General insurance, Stephen J. Geth-erall Jr., self-employed, James P. Joyce of Merrill agency, Robert F. Keihm of Wright agency, John McLaughlin of America Fore Group, James L. Toth of American Tobacco Co. and Frederick A. Wildnauer of Atlantic Mutual; property loss adjustment, Broker Victor E. Spitz, and ocean marine underwriting John B. Stebbings of Royal-Liverpool group.

Insurance Women of Los Angeles have elected Martha Keuhn as president, Polly Graven vice-president, Tommie Ashford, recording secretary, Grace Holloway, corresponding secretary and Dorothy Krimbll treasurer.

## Miss. Supreme Court Rules Newsboys Are Eligible for WC

A circuit court decision that newspaper delivery boys were not independent contractors was upheld 5-4 by the Mississippi Supreme Court, a ruling that places youngsters so occupied under workmen's compensation act.

The lower court's ruling was made in the case of delivery boy who was disabled permanently when an automobile struck him while he was delivering newspapers on a motor scooter.

## Insurance Institute for Mid-South Agents

An Advanced Insurance Institute will be held for local agents of the mid-south states Aug. 8-12 at University of Mississippi, Oxford. First of its kind for the area, it is patterned after Advanced Agency Management Institute held annually at Storrs, Conn.

Accommodations for the institute are limited, according to George L. Goss, manager of Tennessee Assn. of Insurance Agents, one of the sponsoring organizations.

## Seaboard Surety Moves Offices at New York

Seaboard Surety has moved from 75 Maiden lane to 100 William street, New York, making it possible for it to have all departments, including the metropolitan department, heretofore on different floors, on one floor. The new quarters are laid out to provide employees with exceptional light and pleasant surroundings.

## Gleiser Is Honored

Forty officials and employees of Commercial Union-Ocean group gave a testimonial banquet in New York for Oscar C. Gleiser who is retiring June 30 as deputy U. S. manager after 34 years of service. W. H. Miller, general U. S. attorney, officiated at the banquet which Mr. Gleiser was presented a gift.

## OKs Conn. Merger Bill

The Connecticut general assembly has passed and sent to the governor a bill that would permit domestic insurers to merge without special legislation from the assembly if the merger is approved by the insurance commissioner following a hearing.

## Barber, Mitchell Head Zurich's Atlantic Office

Zurich is opening a branch office at Atlanta in the Glenn building. Roy F. Barker has been appointed manager and Robert L. Mitchell will be superintendent of agencies.

Mr. Barker has been with Commercial Union group in Georgia and has been in the insurance business since 1926. Mr. Mitchell has been with Commercial Union in the casualty side, having entered insurance after the last war.

Southern California Fire Underwriters Assn. at its June meeting at Los Angeles heard a talk by Dr. Edward L. Michaels, director of colored television research for Packard-Bell, on the future of colored television.

Insurance Brokers Assn. of St. Louis had its annual dinner-dance at Westborough Country Club.

New officers of the Insurance Women of Dallas were installed at a dinner June 7. The president is Miss Patricia Torti of Floyd West & Co. Other officers are Miss Willie Mae Jackson of Employers Liability, 1st vice-president Miss Lee Bell, Cravens, Dargan & Co., 2nd vice-president; Mrs. Nell N. Farrell, American Surety, recording secretary; Mrs. Juanita Fagan of Maxon-Mahoney-Turner, corresponding secretary, and Mrs. Hazel Crump of Loyal group, treasurer.

## North President Ledbetter V-P of SEUA

John A. North, president of Phoenix-Connecticut group, was elected president of Southeastern Underwriters Assn. and John H. Ledbetter, manager southern department of Hartford Fire, was elected vice-president at the annual meeting in Hot Springs, Va.

Mr. North is chairman of the committee on statistics and origin of losses of the National Board and chairman of the executive committee of Factory Insurance Assn. and a member of the executive committee of Oil Assn. He is a past president of Eastern Underwriters Assn.

Mr. Ledbetter is a member of the executive committee of Louisiana Insurance Advisory Assn., and is a member of Mississippi Insurance Advisory Committee and Texas Insurance Advisory Assn., serving as chairman of the Louisiana and Mississippi groups for 15 years.

### Boost in Mich. Tax on Businesses Affects Agents

LANSING, MICH.—Michigan agents are affected generally by an upward revision of the business receipts tax, as enacted by the legislature just before its adjournment. Gov. Williams is certain to approve the measure because of the need for funds to balance the budget but he had recommended a corporation profits levy instead.

Under terms of the act, representing a last-minute compromise between the two houses, the tax on such businesses as agencies is boosted from four to 6½ mills. The increase is expected to bring in about \$28 million additional revenue.

### Wis. Legislature Amends WC, Kills Compulsory Auto

The Wisconsin legislature has killed the bill to require compulsory automobile liability insurance together with annual mechanical inspection of all cars. Wisconsin Automotive Trades Assn. was the sponsor.

The legislature has passed and sent to the governor a measure to increase the top compensation for disabled workmen from \$60 to \$65. The measure also increases the employer's payment into a state benefit fund, administered by the industrial commission, in case of death from \$4,000 to \$5,500, and for the loss of a hand, foot or eye from \$400 to \$850. The bill also provides new treatment for cases involving occupational loss of hearing due to noise in employment, including retirement or loss of wages due to a job change because of the deafness. Under a 1953 law, occupational deafness was under another section of the statutes dealing with industrial illness, such as silicosis, and set a limit of \$3,500.

### Helm Opens Own Office

LOUISVILLE—Richard Helm, who has been with Underwriters Adjusting and before that was the hail adjuster for Western Adjustment, has opened his own adjustment business here, titled Acme Adjusting Co. He will specialize in fire and wind and auto and casualty.

### Gulf Awards Service Pins

Gulf of Dallas was host to its employees and their families at a dinner dance at the Dallas country club.

T. R. Mansfield, president, presented 25 year service pins to J. R. Betty, V. F. Chase Jr., R. P. Knight, and Doris Watkins. R. L. McDonough received a 15 year pin, while 10 year pins went to O. H. Corbett, Katie Montgomery, C. H.

Plummer, W. C. Robison, Sybil A. Ward and George Wightman.

Previously, Mr. Mansfield visited the Pacific department at Los Angeles and awarded 15 year pins to Betty Eick, L. C. Gamble and Vernetta Terry. Ten year pins went to Lora Bond, M. L. Heberling, Florence Lovellette, Stacia Maher, L. C. Wallace and Phyllis White. Mr. Mansfield expects to present a 20 year pin to Dale L. Helm at Indianapolis.

### Hear Colridge at Oakland

Frank C. Colridge, secretary-manager of the Pacific Board, spoke at the

June 16 meeting of Oakland, Cal., Assn. of Insurance Agents. His talk was entitled "Protection Beyond the Policy," and included a showing of the Board's film, "Operation Safeguard."

A presentation was made to S. Bruce Wright, who has completed 50 years in the insurance business.

### Cal. Agents Association Safety Campaign Launched

With the co-operation of Gov. Knight, the California highway patrol and other agencies, California Assn. of Insurance Agents has launched its annual "Speed kills—take it easy" campaign. The program, conducted for the past several years by the association and National Automobile Club, follows recommendations of the National Safety Council.

The campaign started Memorial day and will continue through Labor day. Eighty-one local associations are carrying on the program out of 100 locals affiliated with the association.

An added feature this year is a contest among more than 300 communities with special awards for the lowest fatality record during the period. Awards will be given by Gov. Knight at the state fair in September.

# WHO'S a bailee?

*Want to make something out of it?*

A BAILEE is someone to whom goods are committed in trust upon contract (expressed or implied) that the trust will be faithfully executed. And here's how you can make something out of it.

Bailees found in most communities are cleaners and dyers, laundries, radio and TV repair shops and cold storage locker plant operators. When there is extensive loss or damage of customers' goods when in their custody they must—if they want to stay in business—pay the value of the goods to their customers. There's a special Inland Marine policy, called Bailees' Customers Insurance, written for these businesses.

The premiums for this insurance tend to run big. If the reasons for the protection, and the results of not having it, are explained clearly, the prospect will usually buy. And

many of these prospects have never been approached. There are several basic forms and quite a few classes of prospects beyond those mentioned here. Each policy is made to order, however, to fit the needs of the particular business, and each is specially rated.

Our agents have just received a new, complete selling plan on this profitable, little-sold line. The plan is in a new issue of our Agency Sales Bulletin that tells who the prospects are, how to advertise the line and what to say in selling it. A letter to prospects is included in the Bulletin, and a new, attractive, colorful folder is offered.

If you would like to brush up on this money-making line and how to sell it, simply complete and send the coupon. No cost or obligation.

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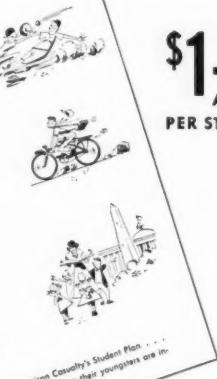
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More than 1,500,000 students are now insured under American Casualty's Student Protection Plan...  
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## Follmann Prescribes Solution to Trouble of Cancellation

Perhaps no A&H problem is more paramount than cancellation, J. F. Follmann Jr., general manager of Bureau of A&H Underwriters, told the educational seminar of that organization in New York. The answer is not legislation, which can hamper the development of A&H, but the proper administration of existing law, carrying out present broad regulatory authority by competent and informed state officials with background in insurance and a proper judgment. Through this means any company which, for whatever reason, is abusing or over-using its right to terminate, can be dealt with readily and specifically.

There is no indication that the reservation of cancellation right results in injustice to the public, he said. In fact, the principle of cancellation is not only reasonable when properly and fairly applied, but it makes it possible to insure more people for lower premium and with broader coverage, Mr. Follmann said.

The study of the North Carolina insurance commissioner on the frequency of complaints about cancellation showed that on a nationwide basis 94 insurers insuring 23 million persons discontinued 120,000 policies, a rate of one-half of 1%. This indicates that the use of the right of discontinuance generally is not great.

State regulatory officials have made two approaches to the subject, he said—controlling the language of the policy contract and making certain the policyholder is aware of the existence of this right of the company.

Insurers are conducting a variety of experiments to solve this problem. One is the guaranteed renewable policy to a prescribed age limit, the premium alterable by the company, on a class basis. Such policies, covering hospital and medical expenses, are being written by a few companies. Also, one company is using policies guaranteed renewable to the age limit upon payment of premium but in which the premium periodically increases at stated intervals.

Policies in which renewal is at the option of the company providing renewal will not be refused because of change in the physical condition of insured are limited to date to major medical expense policies issued by one or two companies. This is true also

of the practice of notifying agents, as contrasted with a statement in the policy contract, that the company will not refuse to renew the policy because of change in the physical condition of insured.

The practice of overlooking any changes in the physical condition of insured, as contrasted with a statement in the policy contract or an announcement to the field force, was tested by one company which continued certain types of policies in force though there had been a marked change in the physical condition of insured. The insurer stopped paying renewal commissions to its agents. The loss ratio on this business has risen to 110% and the experiment has been discontinued in certain areas.

The company can overlook the frequency or duration of warranted claims submitted and paid under the policy, he suggested. Or it can be generally more liberal on renewals in view of the history of the policyholder. This practice has been followed by the majority of companies in recent years. Its virtue is that it is general, rather than specific, and permits of more flexibility should the experiment prove to be either a success or failure, he said.

## Fla. West Coast Mutual Agents Elect Kennedy

Florida West Coast Assn. of Mutual Insurance Agents elected Howard N. Kennedy of Tampa president, James Botherton of Clearwater vice-president and Mrs. Beulah Barr of St. Petersburg secretary-treasurer at the annual meeting at Redington Beach.

## Allstate Holds Conference

Two hundred Allstate agents and sales personnel and their wives attended a family sales conference at Old Point Comfort near Norfolk, Va.

The regional conference, designed to acquaint agents with new developments and give their wives a better picture of the industry, included talks by company officers, panel discussions and entertainment. Officers attending were Calvin Fentress Jr., president; G. H. Bartlett, southeastern zone vice-president; R. E. Collier, resident manager at Roanoke, and R. Leys, resident manager at Charlotte.

## N. H. Ski Tows to Remain Insured

A bill that would have discontinued coverage on Gannon mountain aerial tramway and ski tow installations at Mt. Sunapee has been killed by the New Hampshire senate. The properties are insured for a total of \$1,331,722 by Pacific National Fire for a premium of \$26,442.

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Portland Buffalo Atlanta Calgary Washington Tulsa  
New Orleans Phoenix Milwaukee Cleveland Havana London

## National Board Names Committee Chairmen

Chairmen of standing committees of National Board have been named for 1955-56.

They are: actuarial bureau, Charles P. Jersey, vice-president of Travelers Fire; adjustments, V. L. Gallagher, U. S. manager of Pearl; conference committee with other insurance companies, George D. Mead, president of Glens Falls; construction of buildings, C. M. Gallagher, U. S. manager of Atlas; finance, H. B. Collamore, president of National Fire; fire prevention and engineering standards, Clarke Smith, U. S. manager and general attorney of Royal-Liverpool group.

Also, incendiarism and arson, John Newlands, general attorney of Scottish Union; laws, Charles A. Loughin, vice-president and general counsel of Home; maps, J. K. Hooker, vice-president of Automobile of Hartford; membership, Percy Chubb 2nd, president of Federal; public relations, A. E. Heacock, president of Pacific Fire; statistics and origin of losses, John A. North, president of Phoenix of Hartford, and uniform accounting, George L. Armstrong, chairman of U. S. board of Caledonian.

## American-Associated Names New Bond-Burglary Head

American-Associated has named Jay Shereff superintendent of the bond-burglary division of the claim department. He succeeds Francis L. Kenney who left to join Mallinckrodt Chemical Works.

Mr. Shereff's entire career has been in the surety, fidelity and burglary claims field. Before joining American-Associated he was with American Surety, Home Indemnity and National Surety.

## Insurance Law Session Set for Sept. at Univ. of Miami

The University of Miami school of law will conduct its first special course in insurance law beginning Sept. 26. Similar six-week sessions will begin at the start of the 1956 spring and summer sessions.

The course, designed to enable insurance employees to better understand

legal problems, will include lectures on insurance law, medical jurisprudence, administrative law, legislation and bill drafting, bookkeeping and accounting and tax problems.

The lectures will be delivered by members of the law school faculty and prominent legal and insurance personnel of the state.

The fee for the course and housing is \$350. Registration information can be obtained from Herbert A. Kuvin, University of Miami, Box 428, Coral Gables 46, Fla.

## Michigan Amends FR Law

Among recent measures passed in the Michigan legislature which is nearing its adjournment are two senate bills providing for stiffer liability provisions in the motorists' financial responsibility act. Amending different sections, they increased the BI requirements from \$5/10 to \$10/20 and the PD required coverage from \$1,000 to \$5,000. The first-named bill also requires that, with certain limited exceptions, reports must be made of all accidents in which the damage is \$100 or more, but the secretary of state will not invoke the penalty provisions of the law if no claim of liability has been filed within 50 days.

## N. Y. Claims Assn. Holds Outing

New York Inland Marine Claims Assn. held its annual golf outing at Vernon Hills Country Club in Tuckahoe, N. Y. Charles P. Russ Jr., new president, presented the gavel award to the retiring president, Frank T. Jarmann, before 60 members and guests. Association activities will be resumed in September.

## Badger Casualty Building Started

Construction has started on a one-story, \$200,000 home office building for Badger State Casualty of Milwaukee. The company, which was founded in 1931 and writes auto and comprehensive personal liability in Wisconsin only, plans to move into the new building at 55th and Capitol drive on Dec. 1.

## J. H. Murphy Joins Ala. Insurer

Capital Fire & Casualty of Alabama has appointed James H. Murphy as casualty manager. He has been with Fidelity & Casualty as special agent in Georgia for five years.

# The Fine Art of Doing Business



Boating — Édouard Manet  
Courtesy of the Metropolitan Museum of Art

There have been great art agents as well as great artists . . . Some have been the making of artists . . . At Berkshire Mutual the fine art of doing business is exemplified by the Company's Trained Special Agents whose ready, willing assistance in the field has proved indispensable to our Agents.

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June 16, 1955

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## EDITORIAL COMMENT

### Compulsory Will Not Stay on the Shelf

Compulsory automobile insurance, and the ancillary notions that accompany it, such as compensation, obviously cannot be put on the shelf to stay. It has too much life and will continue to have until there is a more satisfactory solution to the problem of the financially irresponsible motorist—and the uncompensated economic loss resulting from motor vehicle accidents.

It is becoming clear that the insurance companies, in toto, should not be blamed for not coming up with a solution. It is a complex problem, there are many leaders in insurance company ranks who have seriously sought a solution to the problem, and there are several approaches to the problem that have been supported by insurance companies and insurance leaders. The difficulty is that there is no such thing as "insurance companies" as an integer. The insurance companies constitute a diverse and eccentric aggregation.

Yet the business, including the companies, have a vital defensive stake in the compulsory problem, and undoubtedly at some point will have to compose their differences to the extent of coming up with a common solution. Hopefully, this will be an insurance and not a political solution.

The prediction now is that the present Democratic administration in New York will come out for some form of "legislative solution" to the problem. However, to avoid imitation of the Thomas Dewey proposal, there might be a compensation plan annexed. The state motor vehicle administrator has been asked to study compulsory and have some concrete recommendations ready for Gov. Harriman before the next legislature meets.

The subject of compulsory will be lively again next year in several other states.

In the meantime, the conclusions of a special study of the economic-financial consequences of personal injuries resulting from automobile accidents in Philadelphia, which appeared in the March *Economics & Business Bulletin* of Temple University school of business and public administration, reaches several conclusions which are pertinent to any discussion of compulsory. One conclusion is:

"Compulsory liability insurance, unless liability findings continue in the present vein, will not necessarily reduce the total personal losses. If present methods are followed, costs to all insured would probably increase."

The same study points out, however, that a very substantial proportion of the vehicular accidents in Philadelphia are not insured against third party negligence. Personal injuries resulting from automobile accidents result in out of pocket loss, a large part of which is never recovered.

Even so, the study states, compulsion would provide only a partial solution to the problem of recovery. Liability insurance, per se, does not automatically provide for recovery. Negligence or fault theoretically must be established and, though construction appears loose in some cases, recovery would only occur where such was possible. Moreover, it must also be clear that compulsion, assuming liability could be established in a fair proportion of the cases, would increase the cost of liability insurance to the insured population in Pennsylvania because a disproportionate number of uninsured apparently have accidents, the study points out.

Thus, we say, it is apparent that while compulsion may not be the answer, in fact is very likely not the answer, the problem remains. If other solutions are long enough in coming, won't compulsory be inevitable?

### PERSONALS

Commissioner Joseph A. Navarre of Michigan is playing host at Detroit June 16 to Thomas Pansing, Nebraska commissioner, who is visiting the Michigan metropolis in connection with the Young Republicans' convention there. Commissioner Navarre, who incidentally is a Democrat, is giving a luncheon for his guest at the Detroit club, with representatives of Michigan companies licensed in Nebraska in attendance.

Arthur Spiegelman, senior research engineer of National Board, has been appointed a member of an advisory board to assist the labor department of New York state in formulating regulations for the administration of the new state law governing the manufacture, shipment and sale of dangerous flammable wearing material and fabrics.

D. W. Ermatinger, formerly an adjuster with Travelers and now with Glens Falls, recently married Jeanne Brevik of Travelers.

Miss Emily Casford has completed her 40th anniversary with Wheeler-Kelly-Hagny agency in Wichita, Kan. The agency presented her with a TV

set and an all expense vacation trip to the west coast where she will attend the annual meeting of National Assn. of Insurance Women. She is a charter member and past president of Insurance Women of Wichita, and past director of Region VII of NAIW.

Bennett G. Gregory, manager of Insurance Board of St. Louis, is recovering at Deaconess hospital there from a heart attack. He expects to be home around June 15 and to be back at his desk late in July. Mr. Gregory has been active in many civic and school functions along with his insurance duties.

David G. Hill, vice-president in charge of glass manufacturing for Pittsburgh Plate Glass Co., has been elected a director of National Union Fire and National Union Indemnity. He fills the vacancy created by the resignation of Henry A. Yates, a former president of the fire company.

Allen C. Guy, regional supervisor of Western Adjustment, was honored at a dinner in Columbus, O. and was presented with a watch in commemoration of his 35 years of service.

Leon Irwin Jr., president of Leon Irwin & Co., New Orleans general agency, has been elected to the Tulane University board of administrators.

Two local insurance men recently took honors at Missouri state senior amateur golf tournament at Jefferson City. Elliott Whitbread, Daniel & Henry Co. agency, former state amateur champion, won the tournament. James Mantion, Ploeser, Watts & Co. agency won 1st prize in the 55-59 age bracket.

Kenneth L. Nehring, Tucson, Ariz., local agent who was injured in an automobile accident some time ago has returned to work at his office and is recuperating nicely.

EDWARD C. McDermott, who retired in 1948 as claim manager at St. Louis for Maryland Casualty, died at Eureka, Mo. Before moving to St. Louis, Mr. McDermott was with Maryland at Dallas for 25 years, and previously had been in insurance at Baltimore.

Mrs. Frank Matre, 60, died at St. Francis hospital, Evanston, Ill., after a long illness. She was the wife of Frank Matre, western sales manager at Chicago for Alfred M. Best Co.

Mrs. Matre's father operated the Hannauer agency at St. Louis, and her son-in-law, Charles Woodward, is with Newhouse & Hawley at Chicago.

JOHN C. BOGARDUS JR., 78, president and chairman of the William Wilson agency of Pasadena, died at his home in Altadena following a long illness. He was one of the leading agents in southern California.

ROBERT J. MEREDITH, Rochester, N. Y., broker, died.

ADOLPH A. STEINLAGE, 63, local agent at North St. Louis, died.

### Safety Drive in New Orleans

Trained Insurance Specialists of New Orleans are cooperating with the traffic safety education division of the city and with the local safety council in a 30-day traffic safety campaign for which courteous motorists and pedestrians will be given awards. James C. Kraus, chairman of TIS, is general chairman of the safety drive, which will feature radio talks, television appearances and safety meetings of civic and business organizations.

### STOCKS

By H. W. Cornelius, Bacon, Whipple & Co. 135 S. LaSalle St., Chicago, June 14, 1955			
Aetna Casualty	3.60	243	Bid
Aetna Fire	2.40	75	76%
Aetna Life	3.00*	210	215
Agricultural	1.60	37 1/4	39 1/4
American Equitable	1.70	42 1/4	45
American Auto	1.20	29	30
American, (N. J.)	1.20	32 1/4	33 1/4
American Motorists	.24	16 1/2	Bid
American Surety	3.00	90	Bid
Boston	1.60	42	43
Camden Fire	1.15*	29 1/4	30
Continental Casualty	1.40	117	120
Crum & Forster com.	2.00	72	76
Federal	.80	39 1/4	40 1/2
Fire Association	2.20	59 1/4	61
Firemen's Fund	1.80	75 1/2	77
Firemen's, (N. J.)	1.10	43	44
General Reinsurance	1.80	50 1/2	52
Glens Falls	2.00	79 1/4	81
Globe & Republic	.90	23 1/4	24 1/2
Great American Fire	1.50	42 1/2	43 1/2
Hartford Fire	3.00	175	178
Hanover Fire	2.00	48 1/4	49 1/4
Home (N. Y.)	2.00	48 1/2	49 1/2
Ins. Co. of No. America	2.50	118 3/4	119 1/2
Maryland Casualty	1.40	41	42
Mass. Bonding	1.50*	44 1/4	45
National Casualty	1.50*	43	Bid
National Fire	3.00	100	103
National Union	2.00	46	47
New Amsterdam Cas.	1.80	56 1/2	59
New Hampshire	2.00	50 1/2	53
North River	1.40	37 1/4	39 1/4
Ohio Casualty	1.80*	85	Bid
Phoenix Conn.	3.00	89	91
Prov. Wash.	1.60	25 1/2	26 1/2
St. Paul F. & M.	1.10	58	60
Security, Conn.	1.60	47	49
Springfield F. & M.	2.00	63 1/2	65
Standard Accident	1.80	70	72
Travelers	19.00*	2720	2780
U. S. F. & G.	2.00	77 1/4	78 1/2
U. S. Fire	1.80	58	60

\*Includes Extras.

### DEATHS

EARL F. DUNHAM, 52, superintendent of the suburban division stamping department of New York Fire Insurance Rating Organization, died at a Brooklyn hospital. He had been with NYFIRO since 1923.

HARVEY RICEWAITE, 79, former president and chairman of Agricultural and Empire State, died. He retired last September after 60 years of service with the companies.

HENRY S. YOUNG, 71, retired manager of the insurance department of Massachusetts Bonding, died at his Easton, Pa., home after a heart attack. He was also a director of Northampton Mutual, Northampton, Pa.

GEORGE KRAMER, 77, president of Cosmopolitan Mutual Casualty and Cosmopolitan Mutual Fire of New York, died at a New York hospital. He was one of the organizers in 1924 of Butchers Mutual Casualty, which became Cosmopolitan Mutual Casualty in 1947. The fire company was organized in 1945.

OFFICERS:  
Howard J. Burridge, President.  
Louis H. Martin, Vice-President.  
Joseph H. Head, Secretary.  
John Z. Herschede, Treasurer.  
420 E. Fourth St., Cincinnati 2, Ohio.  
Telephone Parkway 2140.

OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127, Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 541 Market St., Tel. Exbrook 2-3054. A. J. Wheeler, Pacific Coast Manager.

**THE NATIONAL UNDERWRITER**  
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Assistant Editors: Edward F. Cox, John B. Lawrence, Jr. and Eloise West.

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Main 1634. Fred Baker, Southeastern Manager.

BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. R. J. Wieghaus, Resident Manager.

CINCINNATI 2, OHIO—420 E. Fourth Street, Tel. Parkway 2140. Chas. P. Woods, Sales Director; George C. Roeding, Associate Manager; George E. Wohlgemuth, News Editor; Arthur W. Riggs, Statistician.

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420 E. Fourth St., Cincinnati 2, Ohio.  
Telephone Parkway 2140.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Gessing, Resident Manager.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Main 5417. Howard J. Meyer, Resident Manager.

NEW YORK 38, N. Y.—99 John Street, Room 1103. Tel. Beekman 3-3958. Ralph E. Richman, Vice-Pres., J. T. Curtin, Resident Manager.



June 16, 1955

## Virginia Agents Eye Ways of Meeting Competition

(CONTINUED FROM PAGE 1)

training committee that the association offer a scholarship to a driver training student.

The fire safety committee and field men are outlining a fire inspection program for the smaller cities and towns without paid fire departments.

The association is drafting a bill calling for a board of examiners composed of capable agents to examine applicants for certificates of qualification in fire and casualty. The corporation commission will hold a hearing on the matter June 22.

The association, Mr. Cox indicated, is continuing to study the problem posed by the inability of agents to write non-admitted insurance in the state, particularly ocean marine risks such as fishing boats which are finding it difficult or impossible to get cover. Probably a constitutional change will be necessary before an excess lines law will be possible.

Faced with a rising tide of direct writer competition, the Augusta association started a year ago to do something about it, James P. Walker of that city, past president of the Georgia association, said in his talk. A survey revealed that the public generally liked to buy insurance from the local agent but 90% of the people indicated they had to initiate steps to get attention from local agents.

The Augusta association, using money from the community business it handles, is advertising on TV and in the newspapers; it is getting local publicity; it is telling its story.

Agents are, however, missing the boat without a simple trade mark that can be used and promoted nationally, he declared. There is also need of a national clearing house to supply advertising and news help and advice to agents in towns that do not have professional advertising agencies. Efforts of agents and associations city to city and state to state lack continuity and singleness of impact, he declared. The longer these programs are carried on in their individualistic way, the farther the agency system is from a solution to its problem.

"National advertising by National Board and individual companies we represent stinks," Mr. Walker said, and the comment drew applause. It does agents no good locally. It is merely complimentary to company members and their management. He noted one exception, the advertising of U. S. F. & G., which he said is effective in selling the local agent. A national program is desperately needed to sell the agent—not company bureaus or boards.

"Who are the local agent's competitors?" E. Rhea Hurd Jr., superintendent of sales and advertising of American Associated, asked. Other stock company agents, he answered, who are young and hungry, the agent's customers whose problems take his time so that he can't be selling new customers, new customers who take time from old customers, direct writer salesmen and consumer products which take people's money.

He said local agents have been biting their nails over the prices of direct writers but the truth is they get business because of their aggressive salesmanship. This is the same kind of salesmanship the local agent used when he entered business and built his clientele.

The local agent can keep ahead of competitors if he beats competitors to

the selling punch, understands what the competition is and its possible effect on customers, begins after each sale to keep the customer thinking favorably of him.

The local agent is doing a good job, Eugene F. Gallagher, Chicago manager of Planet, said. But as impressive as his accomplishments have been, his results do not nearly equal his potentialities. He has failed to create premiums—the premiums that come with growth in the economy. It is up to the agent to achieve creative production, he said. Actually, the agent has no choice in the matter. If he has something which he thinks his client may need, he is bound by duty to present it. By providing needed coverage rather than ordered policies, the agent creates premiums.

Joseph A. Neumann, president of NAII, emphasized the value of distribution in insurance and in the rest of the economy. He warned of threats to the present distributing system that are coming from direct writers and companies that are imitating their methods. Such methods put insurance in the straight jacket of minimums and provide no service contracts, he declared.

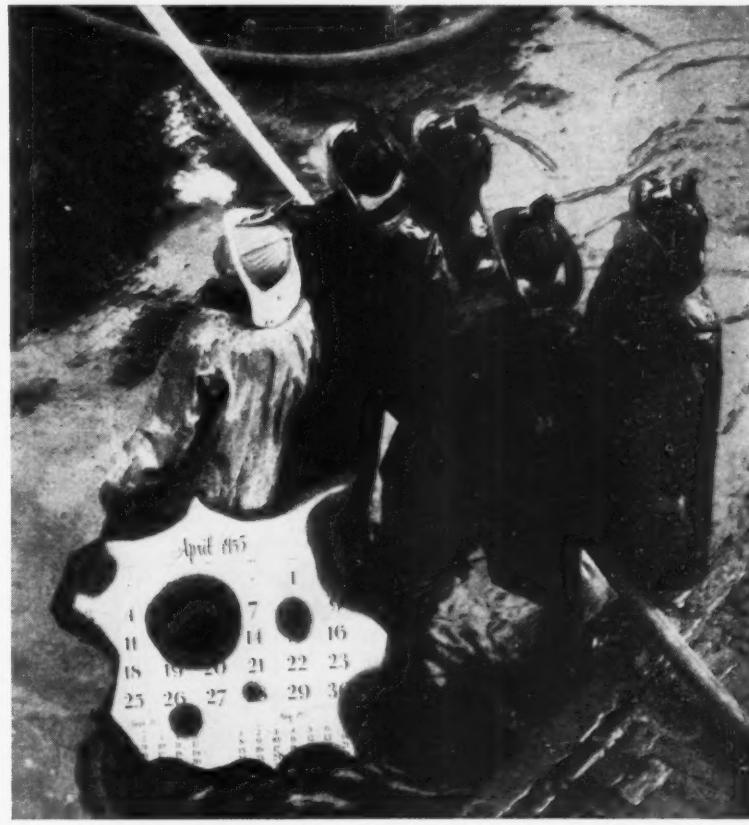
The local agency system can still keep direct writers from establishing a foothold in the dwelling field, he said, but time is wasting. Companies will stay sold on agents and the system so long as they produce. Local agents who do half as much selling as the direct writer salesmen and deliver service with it can meet any competition, he said.

Local agents should stop worrying about their service and the direct writer's price and start to sell, Kenneth O. Force, executive editor of THE NATIONAL UNDERWRITER said. Service is important, and the agent must continue to deliver it. Price is important and people will continue to buy because of it. But if the local agent is losing headway and the direct writer is gaining, it is because the former has been doing too little of what the latter has been doing a great deal of—selling.

There was plenty of southern hospitality on the program. Roanoke association was host at the Monday cocktail hour, Standard Accident and Planet at the reception for retiring President Cox, and Cherokee maintained a continuous coffee bar. There was a golf tournament and a variety of activities for the ladies. Individual insurers maintained headquarters, including Aetna Fire, Agricultural, American Casualty, Appleton & Cox, Bituminous Casualty, the Boston, Camden, B. P. Carter general agency, Cherokee, Commercial Union-Ocean, Employers, Fireman's Fund, Great American, the Hartford, Home, Maryland Casualty, National Surety, National Union, New Amsterdam Casualty, Old Dominion Fire, Phoenix-London, Royal-Liverpool Security Connecticut, Seibels, Bruce & Co., Travelers, A. H. Turner of Crum & Forster, U. S. F. & G., Virginia F. & M. and Virginia general agency.

William H. Branch of Richmond and G. Farley Cox of Appleton & Cox provided several hours of their now famous two men on one piano routine after the dinner dance Monday.

J. E. Barnes of Charlotte court house was a day late arriving at the convention. Burglars knocked off his safe and stole \$3,000.



## The loss was adjusted only 14 days later

When fire struck, this client's\* greatest worry was that delay in adjustment might result in a serious production setback.

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Pays covered expense benefits up to \$2,000 for CANCER (\$1,000 age 60 and over) and \$10,000 POLIO and nine other diseases.

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E. A. McCord, Pres.  
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### Robert Steiner in New Position at Chicago

General Fire & Casualty has named Robert W. Steiner manager at Chicago. He entered insurance with Hardware Dealers Mutual Fire in Detroit in 1941 as a claims adjuster. After service in the second world war he rejoined the company, becoming personnel manager, branch general manager and Michigan district manager.

### Bobyack N. J. Special for Atlantic Companies

Atlantic companies have named Charles F. Bobyack casualty special agent for northern New Jersey. He will work under Donald F. Walker, manager at Newark.

### Savannah Agents Elect

Savannah Assn. of Insurance Agents has named Richard J. Powers president, William N. Jones vice-president and Charles E. Peters secretary-treasurer.

### R. H. Wilson Is Promoted

Robert H. Wilson, chief accountant of General Fire & Casualty, has been elected assistant treasurer. He joined the company in 1950 as an accountant and became chief accountant in 1953.

### Gathmann-Rees Form New Agency

Gathmann agency of Jackson, Mich., has been reorganized as Gathmann-Rees Agency, Inc. DeArman Gathmann is president and Daniel L. Rees, vice-president and treasurer. Mr. Rees was with Hartford Fire in Chicago for two years and was with Western Adjustment for 4½ years at Jackson.

### Mackin Joins Globe Service

Thomas Mackin, formerly a foreign department underwriter for Hall & Henshaw, has been named underwriting manager of Globe Service Corp., reinsurance intermediaries and excess line brokers, New York City. Operations of the corporation have been expanded from the metropolitan New York area to a nationwide basis.

### Parts Thefts Plague Newark

Newark, N. J., police have reported they are receiving about 2,500 complaints a year from car owners regarding thefts of accessories, mostly hub caps, but also including auto radios, antennas. All night street parking was given as one of the reasons contributing to the problem.

### All CPL Classes in Minn. Are Up \$1

National Bureau has increased rates \$1 for comprehensive personal and farmer's comprehensive personal liability insurance in Minnesota, effective June 15.

Mutual Bureau has made similar revisions for the state effective the same date.

The rate for comprehensive personal liability, including initial residence premises with incidental professional occupancy from \$15 to \$16; that including initial two family dwelling premises from \$13 to \$14; and that including initial two family dwelling premises with incidental professional occupancy from \$18 to \$19. The rate for farmers' CPL, including initial farm premises, is up from \$10 to \$11.

### Confrey Promoted by Phoenix of Hartford

Phoenix of Hartford group has promoted John G. Confrey from state agent to inland marine superintendent at Atlanta.

### Meetings for Pa. Mutual Agents

Sparks Club, composed of mutual company field men, has scheduled a series of seven educational meetings for mutual agents in Pennsylvania and Maryland this fall. They will be held Sept. 19 at Cambridge Springs; Sept. 20, Irwin; Sept. 21, Bedford; Sept. 22, Hershey; Sept. 23, Williamsport; Sept. 26, Allentown, and Sept. 27, Baltimore.

### J. K. Stoddard in New Post

John Kenneth Stoddard has been appointed Los Angeles assistant manager of the fidelity and surety department of Continental Casualty. He has been active in the surety business in southern California for a number of years.

### Moran Los Angeles Speaker

Donald Moran, chief engineer, earthquake division, Pacific Fire Rating Bureau, addressed Los Angeles Fire Underwriters Forum on earthquake underwriting. He also showed slides of earthquake damage done in California.

### Joins Stewart, Smith

Edward J. Sweeney, former manager of Newhouse & Hawley in New York City, has joined Stewart, Smith & Co. there.

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## EXCESS UNDERWRITERS, INC.

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June 16, 1955

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## Hallowell Retiring from Aetna Casualty, Mann Succeeds Him

C. G. Hallowell, vice-president of Aetna Casualty, who has executive supervision over the companies' casualty and surety business, is retiring July 1. He will be succeeded by Guy E. Mann, who was recently promoted to vice-president.

In the 43 years Mr. Hallowell has been with the company, he has become an outstanding executive in the casualty field. He devoted all his time to the agency end of the business until 1951 when he was given executive responsibility of the casualty and surety operations.

In his career, he made a number of significant contributions to the progress of the agency system. He was instrumental in the development of the Aetna plan of risk and insurance analysis, and was a strong advocate of the company sales course.

Mr. Hallowell joined Aetna Casualty & Surety in 1912 as manager of the fidelity and surety department in Indianapolis. He transferred to Lansing, Mich., in a similar capacity and later became manager there. Three years later he was named manager at New Orleans.

He went to Hartford in 1919 as assistant superintendent of agencies, subsequently became assistant secretary, secretary and in 1938 was named vice-president in charge of the agency department. At the same time he became vice-president of the accident and liability department of Aetna Life.

In 1951, when he became executive supervisor of casualty and surety operations, he was also made a vice-president of Aetna Life, Automobile, and Standard Fire.

He has represented the company on the executive committee of Assn. of Casualty & Surety Companies and has served on many other business committees.

Mr. Mann has been assistant vice-president of Aetna Casualty for two years. He went with the company in 1926 and after field experience in Hartford and Philadelphia became manager of the Washington office. In 1951 he was named manager at Boston. He is a former national director and regional vice-president of CPCU.

## Insured Loss from Atlantic City Hotel Fire Is \$250,000

A fire that completely destroyed the Ostend hotel at Atlantic City June 4 will cost insurers \$250,000, including \$200,000 on the building and the rest on contents. Cause of the blaze is unknown.

Companies suffering the biggest losses and the amounts they carried on the property were Empire State, \$32,500 on the building and \$17,500 on the contents; World Fire & Marine, \$17,500 on the building and \$13,000 on the contents; American of Newark, \$22,500 on the building; Franklin National, \$12,500 on the building; American Union, \$10,000 on the building and \$2,500 on the contents; American Eagle Fire, Fireman's Fund, Home and National Union Fire, \$10,000 each on the building.

Other insurers with coverage on the

property were British Underwriters Agency of Scottish Union & National, the Boston, Charter Oak Fire, Glens Falls, Granite State, Hanover Fire, Hartford Fire, London & Lancashire, Minneapolis F. & M., Northwestern F. & M., Phoenix of London, Phoenix of Hartford, Orient, Springfield F. & M., Sun Underwriters and U. S. F. & G.

## AEC Issues Insurers Atomic Use Data

Access permits under which classified restricted data related to peacetime and civilian uses of atomic energy technology is made available for commercial purposes have been issued to 67 insurers. Among them are American Mutual Liability, Chubb & Son, Liberty Mutual, Marsh & McLennan, and St. Paul Fire & Marine.

An atomic energy commission spokesman said the permits were devised to provide industry with classified information under certain controls. The information concerns use of atomic energy with relation to industry, agriculture, health, medicine, etc. Insurers must obtain an "L" clearance to obtain restricted or confidential information and a "Q" clearance to obtain secret data.

## Niemann Is President of Queens County Agents

Insurance Agents Assn. of Queens County (N. Y.) has elected George O. Niemann president, William J. Blum, Joseph Stagnitta and Seymour Schwartz vice-presidents, Kenneth W. Haslam treasurer, Helen K. Goodrich secretary and Ben Hemlet and Arthur F. Blum directors. Mr. Niemann succeeds Mr. Blum.

## Honor Insurance Women

Aetna Fire group has published a special issue of the *Messenger*, its agency magazine, honoring women in the insurance business. In addition to the usual circulation of 17,000 copies to the group's agents, another 1,000 copies will be distributed at the convention of National Assn. of Insurance Women at San Francisco June 14-17.

## Coller Named Manager at Roanoke

Robert E. Coller has been appointed resident manager at Roanoke, Va., for Allstate. He succeeds Harvey N. Kuhn, who has been named claim manager for the Pacific Coast.

Mr. Coller joined Allstate in 1954 as sales director for fire lines after 19 years experience in the insurance field.



The Kansas City has no idle "pipe dreams"...



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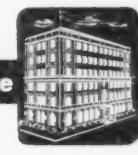


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# NEWS OF FIELD MEN

## J. R. Jones Elected as S. F. Blue Goose Chief

San Francisco Blue Goose has elected Jay R. Jones, American Fore, most loyal gander.

Other new officers are Bert Stewart Jr. of National Automobile Club, supervisor; Jack W. Jones of Oregon Mutual, custodian; Myron W. Greenlee of St. Paul F. & M., guardian; Herman H. Spaeth of Pacific Rating Bureau, keeper, and Laurent A. Loustau of Willson, Loustau & Loustau, wielder.

## Aetna Fire Group Merges Pa. Offices, Makes Several Field Changes

Aetna Fire group has merged the Greenville, Pa., office with the Pittsburgh office and made several personnel changes.

Robert W. Gillespie, state agent for western Pennsylvania, has retired after nearly 35 years of service. Frank W. Powers Jr., formerly special agent at Greenville, succeeds him as state agent in charge of fire, marine and casualty business for all companies of the group in western Pennsylvania exclusive of the city of Pittsburgh and Allegheny county. He joined Aetna Fire in 1948.

Joseph D. Guernsey, who had been state agent of Standard of N. Y. in the whole territory, is now state agent for all group companies in charge of fire, marine and casualty business in the city of Pittsburgh and in Allegheny county. He will no longer supervise Standard business in western Pennsylvania outside of Allegheny county.

Mr. Powers will make his headquarters at 1005 Plaza building, Pittsburgh, and will be assisted by Special Agents William A. Worthington Jr., Reginald L. Counsell, John A. Smigrodzki and Fred R. Coryell.

Edward C. Lee, casualty underwriting manager, will supervise the underwriting and casualty business for the combined territory, and Mr. Smigrodzki will continue to supervising the underwriting of marine business in the entire area.

Robert B. Gerrish was named multiple line special agent at Dallas, succeeding Glenn C. Hutchinson, who has resigned.

Mr. Gerrish joined Aetna Fire in 1950 as a clerk in the inland marine department. After graduating from the company's multiple line training school in 1952 he became an underwriter in the marine department.

## Ohio Field Men to Hold Annual at Cincinnati

CINCINNATI—Ohio field men will hold their annual meeting and outing here Oct. 10-11. The committee includes: W. A. Gibson Jr., North British, chairman; C. H. Garbutt, America Fore; J. M. Abbott, Aetna; W. J. Andrus, National Fire; J. F. Schweer, Cincinnati Underwriters Assn., and R. T. Galvin, Barkdull & Guckenberger agency.

Ohio Blue Goose will meet on Oct. 10 and Ohio Fire Underwriters Assn., Oct. 11. The outing, including a golf tournament, baseball game, horseshoes and the annual dinner will be held on Oct. 11 at Summit Hills country club, Covington, Ky.

## W. C. Merritt Promoted

William C. Merritt, American of Newark, has been promoted to special agent for the San Francisco peninsula area, with headquarters at Menlo Park. He is a graduate of the company's multiple line school.

## New Jersey Blue Goose Chooses Sheldon MLG

Walter D. Sheldon, America Fore, was elected most loyal gander of Garden State Blue Goose at its annual outing at West Orange, N. J.

Other officers are Fred L. Bross Sr., Halifax-Employers, supervisor; Edward J. Peiffer, General Accident, custodian; Edward M. Barrett, Loyalty group, guardian; Howard S. Roberts, General Adjustment Bureau, keeper, and David B. Roden, Boston, wielder.

Mr. Sheldon and Robert F. Stumpf, past MLG, have been named delegates to the Grand Nest.

## Phoenix of Hartford Makes Changes in Field

Phoenix of Hartford group has named Edwin C. Butcher state agent for Maine, James W. Nagle special agent in northern Massachusetts succeeding Mr. Butcher and appointed Russell A. Humm and Warner F. Voss special agents in Wayne and Monroe counties in Michigan and William J. Begley to a similar post in eastern New York state.

Mr. Nagle will work with Executive State Agent Stanley A. Gibson at Boston, Mr. Humm and Mr. Voss will make their headquarters at Detroit with Manager Charles L. Rosenow and Special Agents Edward M. Ranger and Robert B. Helstab and Mr. Begley will assist State Agent Maurice F. Ahearn Jr., in handling casualty operations at Albany.

## Royal Exchange Makes Field Advancements

Royal Exchange group has promoted Martin W. Boedeker from state agent for Kentucky to executive field supervisor for Kentucky, Tennessee and Georgia. He will keep his headquarters at Louisville.

Tracy Bronson, former special agent for Virginia, has been appointed Georgia state agent. He succeeds H. C. Moreale, who has been transferred to new duties in the head office. Mr. Bronson will maintain headquarters at the new office at 66 Lucky street, Atlanta.

The group has opened its new Minnesota field headquarters at 1138 Plymouth building, Minneapolis, under management of Alton G. Goodspeed, recently appointed state agent for Minnesota territory.

Mr. Goodspeed will be under the supervision of Freeman C. Read, branch manager, and James O'Connor, assistant branch manager, Chicago.

Mr. Goodspeed formerly was with Fire Underwriters Inspection Bureau. He is past president of Minnesota Fire Prevention Bureau.

## B. G. Hall Heads New Mexico Fire Underwriters Assn.

New Mexico Fire Underwriters Assn. recently held its annual meeting at Albuquerque. B. G. Hall, Michigan F. & M., was elected president; Robert Watson, Royal, vice-president; Lee Barley, Echlin-Irvin-Crowell & Co., secretary-treasurer, and Harry Crawford, National of Connecticut, public relations chairman.

## Inspect Belton, Texas

Belton, Tex., was inspected by members of Texas Field Men's Assn., under the direction of Harold Bracher of Great American, San Antonio, a member of Alamo Field Club. Cooperating with the field men were the Boy Scouts and Belton fire department.

The inspection included a parade of

scouts, firemen and Belton Lions club, and luncheon at which Jack Maguire, director of public relations of Texas Insurance Advisory Assn., spoke on the importance of public relations in relation to fire prevention, and Eugene Sanders, Texas fire marshall, Austin, discussed the importance of guarding against arsonists and the savings in money for insurance buyers through fire prevention.

## Three Wisconsin Fieldmen's Groups Schedule Joint Meetings, June 21-23

Summer meetings of the Wisconsin Fire Underwriters Assn., Wisconsin Blue Goose and Wisconsin Fire Prevention Assn. will be held June 21-23 at Maxwelton Braes, Baileys Harbor, Wis. Eli Shupe, manager of Home at Milwaukee, is chairman of arrangements.

Blue Goose, under MLG Howard Zibble of Agricultural, will start the fieldmen's activities with an initiation, dinner and entertainment on Tuesday.

The WFUA business meeting will open Wednesday morning with President John A. Nelson, Home, as chairman. The morning speaker will be Fred A. Miller of Chicago, National Assn. of Manufacturers, whose topic will be "U. S. A. 1975." A sports program and banquet will follow. Officers will be elected Thursday.

M. Wilburn Sampson, Fireman's Fund, will be in charge of the fire prevention session Thursday. The program includes reports on the past year's inspections, election of officers and other activities.

## New Security-Connecticut Posts for Parton, McGough

W. J. Parton has been appointed special agent in Texas and E. D. McGough, state agent for Alabama, for Security-Connecticut group.

Mr. Parton will make his headquarters in Houston and will be under supervision of W. J. Weldon, Texas manager. Prior to this he was special agent for American General in Texas.

Mr. McGough was special agent for the Alabama Inspection & Rating Bureau until his present appointment. His headquarters will be in Montgomery.

## Bainton N. J. Special of Springfield Group

Springfield companies have named Robert J. Bainton a special agent in New Jersey. Formerly a New Jersey special agent of Atlantic Mutual and centennial, he will specialize in inland marine and automobile business.

## Allen Conn. Special of Phoenix, Hartford

Phoenix of Hartford group has named Walter B. Allen Jr. special agent for Connecticut. With the group since 1953, he will be associated with Executive State Agent S. Gray Tracy and will make his headquarters at New Haven with special agent Lawton G. Sargent Jr.

## Walters Joins Peerless Cas.

Chester H. Walters has been appointed special agent for fire and inland marine in Connecticut for Peerless Casualty. He will operate out of Hartford. Mr. Walters has been with Aetna Fire for seven years as an underwriter.

## Inspect Kalispell, Montana

Kalispell, Mont., was recently inspected. Principal speaker at a luncheon sponsored by the chamber of commerce was Jay W. Stevens, assistant manager National Board, San Francisco. Town inspection chairman was Jack McBroom of Phoenix-

Connecticut group, San Francisco. Local speakers were Werner Bloomdahl of the Hartford and Les Panger of St. Paul F. & M. Twenty-seven Montana field men participated in the program.

## Corroon & Reynolds Promotes Two to State Agent in Ind., O.

Corroon & Reynolds has promoted Lawrence Addison to state agent in Ohio and Thomas Lyman to state agent in Indiana. Mr. Addison will continue to be assisted by John Wrigley, special agent, in offices at 20 South Third street, Columbus, O. Mr. Lyman will be assisted by David Defenbauth, special agent, in offices at 620 Illinois building, Indianapolis.

## Royal Exchange Names Durkee Special in Va.

Royal Exchange group has named John M. Durkee special agent for Virginia, succeeding Tracy Bronson, who transferred to Georgia as state agent.

Mr. Durkee, who will work with State Agent Thomas H. Strohach, had been an underwriter in the group's home office.

## Clarke Elected MLG of Georgia Blue Goose

Georgia pond of Blue Goose has elected Eugene C. Clarke Jr. of New Hampshire group m.l.g., William H. Malone of Aetna Fire group supervisor, R. M. McFarland Jr. of South-Eastern Underwriters Assn. custodian, B. Hugh Fordham guardian and J. D. Ambrose of Northern of London group keeper. Bockover Toy, retired special agent of Scottish Union, was re-elected wielder.

Named delegates to the international convention at Kansas City in August were Mr. Clarke and Manly Stockton of Hartford Fire group.

## Two Field Changes Made by New Hampshire Fire

New Hampshire Fire group has named David F. Polson state agent in New Mexico with headquarters at Albuquerque and Donald A. Mooney special agent at Topeka. With the group since 1953, he will work with State Agent George E. Erickson.

## Ray Named Big Toad of Greensboro Puddle

Greensboro puddle of North Carolina pond of Blue Goose has elected W. W. Ray of Loyalty group, big toad, succeeding A. R. Fretz of Corroon & Reynolds. Others elected were A. P. Carlton of Security of Connecticut, polliwog; Garland Wolff of General Adjustment Bureau, croaker, and Newell Sapp and Robert Wade of GAB, bouncers.

## Springfield Group Names Ives Conn. State Agent

Springfield group has promoted Louis K. Ives to state agent in Connecticut. He has been with Springfield field as a special agent for 29 years.

## Albany Field Club Elects

Albany Field Club has elected Daniel Jordan of Hanover Fire president, Robert Kitchen of Phoenix of London group vice-president, Howard Sargent of New Hampshire Fire treasurer and Joseph Nixon of America Fore secretary. The club held its annual outing June 10.

## Evans to National Union

Joseph Evans, special agent for Crum & Forster in Kentucky, is resigning to join National Union as a special agent, with headquarters at

Lexington. He succeeds M. R. Carr who is being moved to Pittsburgh by National Union.

### Giles Leaves H. & H. Joins National Union

Edwin Giles, who has been a special agent in suburban New York City and New Jersey of Hall & Henshaw, has joined National Union as special agent in suburban New York City.

Arthur W. Blon, Hall & Henshaw agency superintendent, will assume supervision of Westchester, Rockland, Putnam and Bronx counties, and Charles M. Comollo will succeed Mr. Giles in Staten Island.

### Florida Field Conference

#### Names Campbell President

Florida Field Conference, composed of representatives of stock fire companies, has elected Nelson Campbell, Aetna Fire, president; L. M. Gauvreau, Crum & Forster, vice-president, and W. B. Spence, Security of New Haven, secretary-treasurer.

### American of Newark Moves Dobbs to Dayton

American of Newark has transferred special agent Howard L. Dobbs from Toledo to Dayton where he is associated with special agent John C. Longest.

### St. Paul F&M. Appoints R. J. Macauley in Florida

St. Paul F&M. has appointed Ralph J. Macauley, Jr., special agent in Jacksonville, Fla., to replace Jack Badenhoop, who is being transferred to the home office marine department.

Mr. Macauley has had many years' experience in insurance and was formerly special agent in Florida.

### Great American Names Whitehurst La. Special

Great American has named Ralph A. Whitehurst a special agent at New Orleans. He will work with Special Agent Harry G. Spaulding Jr. Mr. Whitehurst, formerly with North Carolina Fire Insurance Rating Bureau, had been in the company's Carolinas office as an underwriter.

### Hartford Pond Elects

Hartford pond of Blue Goose has elected the following officers: Joseph Sorge of Caledonian, MLG; Lewis A.

Geis, Commercial Union, supervisor; Edward A. Langan, National Fire, custodian; Andrew M. Carlin, National Union, guardian; R. M. Nicholson, Automobile, keeper, and Harold N. Peterson, Springfield F&M., wielder.

### Indiana Field Men Elect VonBurg, Wilder

Harry F. VonBurg of General Accident was installed as most loyal gander of Indiana Blue Goose at the annual meeting in Lebanon. He succeeds B. H. Peterson, Aetna Life group.

The other new officers are: Supervisor, W. U. Baker, American States; custodian, G. H. McKenzie, Merchants of Indiana; guardian, George F. Wilder, Home; guardian, H. W. Montgomery, W. P. Ray & Co.; wielder, H. B. Skelton, Rough Notes (reelected).

The meeting was held jointly with Indiana Fire Underwriters Assn., which elected George Wilder as president. He replaces John T. Gorman of Aetna Fire. The other new field club officers are: Vice-president, George E. King, Atlas; secretary-treasurer, Paul Catherman, Boston & Old Colony, and assistant secretary-treasurer, Edward A. Foisey, Girard.

In his report, Mr. Gorman noted that during the last year the association held inspections in cities with an aggregate population of nearly 250,000.

### Mo. Fire Underwriters, . Preventionists Elect

Thomas Lilly, Aetna Fire group, was elected president of Missouri Fire Underwriters Assn. at the annual meeting last week at Rockaway Beach on Lake Tanaycomo.

Henry Teicher, Phoenix of Hartford, is the new-vice president, and George W. Goeddeke, Aetna Fire, is the secretary.

New officers of Missouri Fire Prevention Assn., elected during a meeting in connection with the fire underwriters convention are: President, Earle J. Smith, North British; vice-president, Bruce E. Westerling, Springfield F. & M., and secretary, John E. LaPiere, Phoenix of Hartford.

### Stuart Heads Wyo. Office

James E. Stuart, state agent, has been placed in charge of Springfield F. & M.'s recently opened office at Casper, Wyo.

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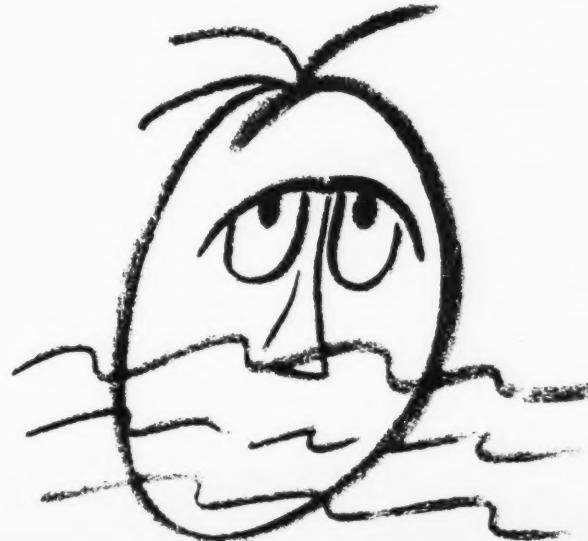
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**Va. Insurance Rating  
Bureau Elects Malone  
and Hundley**

Joseph T. Malone, Travelers, was elected chairman of the governing committee at the annual meeting of Virginia Insurance Rating Bureau, and A. J. McDavid, New York Underwriters, was elected vice-chairman.

The members of the governing committee and their representatives thereon are: American, J. P. Young Jr.; Automobile, R. W. Criswell; Eastern Shore of Va., M. J. Mason; Fidelity-Phenix, L. P. Jersey; Hanover, John Rygel; New York Underwriters, Mr. McDavid; Northwestern Mutual, Geoffrey Christian; Old Dominion, English Showalter; Security of New Haven, S. H. Swart; Travelers, J. T. Malone; U. S. F. & G., D. L. Royer, and Virginia F. & M., B. F. Weaver.

William P. Hundley, Firemen's, was appointed chairman of the executive committee, and William C. Noell, Mutual Fire, vice-chairman. Other members are: J. R. Atkinson, Commercial Union; J. R. Callan, North British; S. R. Chapman, Home; E. J. English, Northern of London; E. B. Fraley, Agricultural; R. B. Leary, Great American, and E. B. Smoot, Aetna.

L. O. Freeman Jr. was elected manager; Robert P. Bell, assistant-manager and C. L. Puryear Jr., rating superintendent.

**Wyoming Issues Admission  
and Reinsurance Rules**

The Wyoming department has issued a regulation requiring a company to be in business and actually issuing contracts for two years before it will be considered for admission. New companies must also convince the commissioner their operations are in the best interest of the state's citizens.

Another regulation restricts admitted companies from taking credit for reinsurance ceded to non-admitted companies unless they have received approval as "authorized non-admitted reinsurers," filed a power of attorney for service of process with the commissioner and qualified as acceptable.

The commissioner will accept applications for authorization of non-admitted companies from admitted companies only, publish a list of "authorized non-admitted companies" annually and require appropriate liability on reinsurance ceded to unauthorized companies.

**New McDevitt Office**

James J. McDevitt & Sons, Boston adjusters, have opened an office in the Industrial Bank building in Providence under the management of S. Douglas Ryerson.

**Auto BI, PDL Rates  
Down in Col., Md., PDL  
Up in Puerto Rico**

National Bureau has reduced automobile liability from \$1 to \$5 depending on class and rating territory in Colorado and increased property damage rates in Puerto Rico from \$5 to \$17, depending on class. Both are effective June 15. Mutual Bureau has reduced rates for private passenger automobile BI and PDL in Maryland, effective June 15.

Reductions in Colorado range from \$1 to \$5 in Denver and vicinity, \$1 to \$4 for El Paso and Pueblo counties, and \$1 to \$3 for the remainder of the state. Rates remain unchanged for classes 1C and 2C.

Changes in Puerto Rico reflect recent experience and an increase of the PDL basic limit from \$1,000 to \$5,000.

Mutual Bureau's changes in Maryland range from 4% to 12% for BI, and 3% to 6% for PDL. In a few areas where experience has been unfavorable, BI rates will be increased slightly.

**Zellers, Peters to New  
Posts with Houston F. & C.**

Clyde E. Zellers Jr. has been appointed manager of the New Orleans branch of Houston Fire & Casualty and General.

Mr. Zellers joined the companies in 1947 and was special agent in north central Texas. Prior to that he was with a local agency.

Thomas Peters has been reassigned as special agent in north central Texas to succeed Mr. Zellers. Mr. Peters also joined the companies in 1947 but has just returned from 4 years with the naval air force. He has served in the home office and as special agent.

**Talk on Homeowners C**

New York City Insurance Agents Assn. will hear a discussion on homeowners C policy by Edwin Ryder, New York marine department manager of St. Paul F. & M., at a meeting June 21 at the Downtown Athletic club.

**Studies Michigan Fire Fund**

LANSING, MICH.—Mariano Nieves Hidalgo, superintendent of insurance for Puerto Rico, with offices in San Juan, has been visiting the Michigan department, making a study of the state's fire fund protecting state property. The territorial supervisor indicated interest in establishing such a system in the island.

**Am. Live Stock Names Farwest**

American Live Stock of Geneva, Ill., has appointed Farwest general agency of Seattle as general agents for Washington and Oregon.

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## The NATIONAL UNDERWRITER

27

**International Union  
Executive Committee  
Holds Meeting in N. Y.**

An executive committee meeting of International Union of Marine Insurance was held in New York for the first time on the invitation of Harold Jackson, a vice-president of the organization and president of William H. McGee & Co.

Those attending the meeting, held to discuss plans for the next general conference in Europe in September, included H. J. Quirino da Fonseca of Portugal, president, Carl Briner of Switzerland, R. A. J. Porter and L. K. Sweet of the United Kingdom, vice-chairmen, and Mr. Jackson.

Directors of American Institute of Marine Underwriters, which represents this country in International Union, were host to the committee at a luncheon and the officers of the institute also gave a dinner for committee members and their wives. The committee visited the United Nations, with whom International Union is affiliated in a non-governmental status, and were met by B. Lukac, director of the transport and communications division, and Charles Hogan of the secretariat, who is in charge of the non-governmental organizations.

**Commercial Union Promotes  
Three at Atlanta**

Commercial Union has named David M. Deakins manager of the southern department at Atlanta. J. T. Thomason and R. K. Nix were named

assistant managers.

Mr. Deakins joined the company in the inland marine department at Atlanta, was named special agent, superintendent of agencies and promoted to assistant manager of the southern department in 1954.

Mr. Thomason joined the company in 1923, served as special agent, inland marine manager and was promoted to superintendent of agencies in 1954.

Mr. Nix joined Commercial Union in 1925, was assigned to the inland marine department in 1927 and was named special agent for Florida in 1940 and state agent in 1948.

**June 22 Is Deadline  
For Filing Briefs on  
Texas City Legislation**

WASHINGTON—The House judiciary subcommittee on Texas City disaster legislation has allowed a two-week period ending June 22 in which interested parties may file briefs or statements regarding legislation proposed for settlement of claims arising from the disaster.

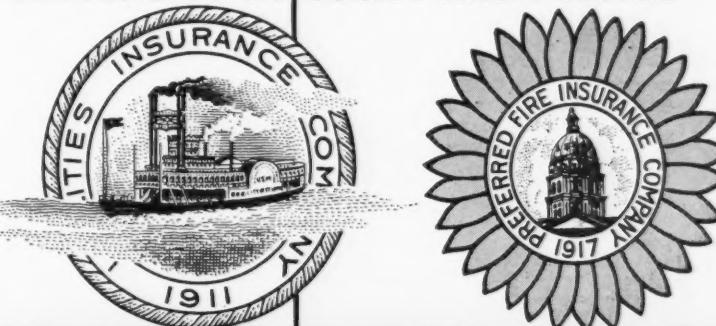
The government opposes the legislation on the grounds it would permit subrogation of fire and casualty claims

against insurance companies. There is also opposition because of no limit on death benefit claims. However, on the final day of hearings, a Texas attorney said the Department of Justice does not oppose subrogation if negligence is proved against the government.

**Broska Named to Allstate Division**

Charles J. Broska has been appointed assistant director of Allstate's accident prevention division. He previously had been a management consultant with Pent, Marwick, Mitchell & Co., Chicago accounting and consulting concern.

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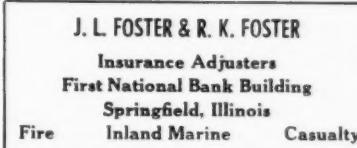
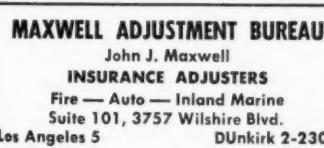
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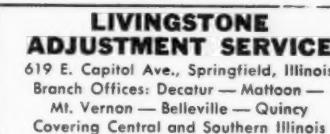
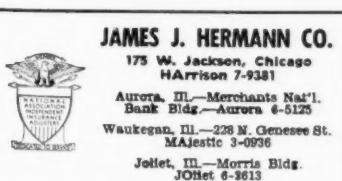
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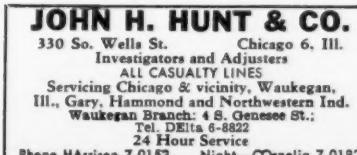
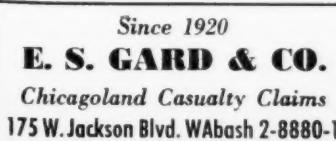
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## Texas Governor Gets His Whole Reform Program

The Texas legislature has enacted an insurance program which is even more than asked by Gov. Shivers in his opening message in January. The governor had suggested a five-point program, and this was given him with additions.

Gov. Shivers asked for a statute to create a Texas board of commissioners with the authority to act as a board and he has already signed a bill to this effect. The board has supervision and control of all matters relating to insurance and the organization, examination and supervision of companies. It will operate as a whole and a majority vote will be necessary to transact any business.

The governor wanted the board to have authority over organizing and operating personnel of insurers with the requirement that initial capital structure be unimpaired whether in cash or bond, and he has signed a bill to this effect, giving the board the power to look into the fitness of company organizers, to increase frequency of examinations and to allow the board

members to name chief clerks to act for them. The board has powers to require information from companies.

Additional capital structure was wanted for initial insurance company organization by Gov. Shivers, and this became quite an issue in the legislature. However, the governor signed a bill hiking requirements for all types of companies. For life companies, capital and surplus requirements are now \$100,000 capital and \$100,000 surplus with an additional requirement that organizers file an affidavit that all capital and surplus is the bona fide property of the company. The board has power to take into consideration in issuing a charter whether this is bona fide property and whether the proposed officers have "sufficient insurance experience, ability and standing to render success of the proposed company probable." There are restrictions on the ratio of assets which may be invested in home office buildings. For fire and casualty companies, the new rules are \$100,000 capital and \$50,000 surplus for fire and allied lines, and \$150,000 capital and \$75,000 surplus for casualty, and \$20,000 capital and \$100,000 surplus for multiple line.

An increase in the insurance department staff and higher salaries for staff members were requested, and an ap-

propriations bill was passed giving an increase of \$1,144,264 for the next two years and allowing for 17 additional examiners. Salaries of the commissioners were raised to \$15,000 each, whereas in 1955 the life commissioner and chairman received \$9,720 and the fire and casualty commissioner \$8,520. These appropriations will be effective at the beginning of the next fiscal year, Sept. 1.

The governor asked for regulation of insurance stock sales, and this was accomplished in another controversial bill which is a version of the new securities act edited to apply to insurance, placing control under the board of commissioners rather than the secretary of state.

In addition to these five key measures, there are 16 other bills effecting insurance that have been passed by the legislature, and these include:

A measure to take out of the securities law the provision for changing from par to non-par value stock. This has not yet been signed.

A provision for judicial review of the actions of the board which are not already covered by laws giving rights to court appeal. The governor signed this bill.

A measure rejecting professional liability from the single rating law, which has been signed by the governor and was effective April 22. It was supported by Texas Medical Assn.

A bill enacting the new uniform A&H policy forms, still to be signed.

the Auto-Owners home office here.

All phases of safety engineering were discussed in panel sessions being attended by more than 50 representatives of mutuals throughout the midwest.

Speakers included Carl M. Russell, president Meridian Mutual; Bethold Woodhams, president Citizens Mutual Automobile of Howell, Mich.; Edward Brandt, vice-president Auto-Owners; P. J. Baker, vice-president Michigan Millers Mutual; Lynn Minzey, vice-president Auto-Owners; Winston Reynolds, agency manager Citizens Mutual Auto; W. G. Schultz, chief engineer Lumbermen's Mutual of Mansfield; C. S. Wolff, assistant to managing director American Society of Safety Engineers; Richard E. Stevens, assistant secretary Society of Fire Protection Engineers; Frank E. Laderer, associate director of safety Farm Bureau companies of Ohio; Dr. E. G. Meiter, director industrial hygiene division Employers Mutual Liability; Claude C. Stubbe, chief engineer Mutual Service Casualty; N. Oosterbaan, loss prevention manager Hardware Mutual Casualty; T. J. Meyer casualty underwriting manager Hardware Mutual Casualty; Leslie Silvernale, coordinator driver education continuing education service Michigan State College; L. H. Wanous, engineering manager Federated Mutuals.

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Massachusetts' Oldest Fire Insurance Company

June 16, 1955

## Dr. J. E. Salk Receives \$10,000 Criss Award from Mutual of Omaha

Dr. Jonas E. Salk, creator of the Salk polio vaccine, received the 1955 Mutual Benefit H. & A. Criss Award of \$10,000 (tax free) and a gold medal at the American Medical Assn. convention in Atlantic City.

The award was presented by AMA president, Dr. Elmer Hess of Erie, Pa., who termed Dr. Salk's accomplishment one of the "most important scientific achievements we have had in a number of years."

V. J. Skutt, president of Mutual Benefit, established the award to reward and encourage outstanding contributions in the fields of health and safety and to honor the company's founder, the late Dr. C. C. Criss.

## Chicago Fire Protection Engineers Plan Field Trip

Chicago Chapter of the Society of Fire Protection Engineers will take a field trip to Monee, Ill., June 20. Cardox Corp. will demonstrate the versatility of low pressure carbon dioxide.

## N. M. WC Law Amended

Several amendments to the New Mexico workmen's compensation law take effect this week.

One restricts the filing of suits in counties in which the claimant was injured or in which he lives, provided the employer has filed a required certificate of compensation insurance. This will end the practice of some attorneys filing most of their court suits in counties in which juries give large awards.

Another amendment limits attorney fees to 10% of the amount of the claims for those cases not taken to court. If the case goes to court, the court sets the fee for the claimant's attorney and it is paid by the employer.

## Adjusters Directory Published

The 1955 edition of Best's Directory of Adjusters & Investigators has been printed and is ready for delivery. It consists of 640 pages and lists the names, addresses and claims association affiliations of adjusters and investigators as well as the classes of insurance they handle. There is data on organizations as well. Copies may be obtained from the A. M. Best Co., 75 Fulton street, New York 38, N. Y.

## General Guaranty to Hike Capital

Stockholders of General Guaranty of Florida have authorized an increase in capitalization from \$300,000 to \$2 million with a change in the par value from \$10 to \$2.50, resulting in a four-one split.

Directors have authorized an addi-

tional 304,000 shares of the newly approved issue, to increase capital to \$1 million and surplus to \$1,200,000.

Newly elected to the board were O. C. Bowden, president of Sterchi Bros. Stores of Knoxville, and Frank H. Valier, West Palm Beach financier.

## Company Education Directors Elect Irvine

Lewis V. Irvine of Travelers was elected president of Insurance Company Education Directors Society at the annual meeting in Rye, N. Y. He succeeds John M. Breen of Lumbermens Mutual Casualty, and will take office July 1.

M. F. Pierce of Standard Accident is the new vice-president, and Bernard W. Moore of United Fire & Casualty is 2nd vice-president. George W. Tisdale of Commercial Union group was elected treasurer and Nelson M. Bell of Hardware Mutual becomes secretary. The group elected Douglas M. Roy of Selected Risks to the executive board for three years, and Mr. Breen also was elected to the board.

## Mayflower Agents' Party June 22

Mayflower of Columbus will hold its annual agency party June 22. The open house for agents and wives will be at the home office in the morning, followed by a luncheon at the Deschler-Hilton hotel. Then there will be a picnic at the farm of John W. Galbreath, vice-president. About 600 agents and wives from Ohio, Indiana, Michigan and West Virginia will attend. Ernest C. Cook, vice-president, is in charge of arrangements.

## New Officers for Mich. Mutual

Holley K. Fisk has been elected president of State Mutual of Flint, Mich. He has been with the company for 43 years, starting as office boy, and most recently was secretary-manager. He succeeds Ernest R. Dingman, who died two weeks ago.

A. B. Little has been elected secretary and underwriter. He has been with the company for 18 years.

## Mayflower to Vote on ML Writings

A special meeting of stockholders of Mayflower of Columbus will be conducted June 22 to consider a resolution which would authorize multiple line writing.

Robert Johnson has been elected president of the newly organized Kennewick, Wash. Insurance Agents Assn. James French is vice-president and Merle Wright is secretary-treasurer.

Insurance Women of San Gabriel Valley installed new officers at a meeting in Covina, Cal. Mrs. Margaret Frederick is president, Mrs. Viola Seay vice-president, Mrs. Mary Barr corresponding secretary, Miss Betty Fahey recording secretary, and Miss Ruth-Alice Irving treasurer.

# Reinsurance in 1955

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As America's leading independent market for Reinsurance, the North America operates on the principle of providing a *stable market* for the needs of its clients.

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## WEST BEND MUTUAL FIRE INSURANCE COMPANY

WEST BEND, WISCONSIN



ESTABLISHED 1894

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Chas. W. Walter  
President

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WE INVITE AGENCY INQUIRIES IN FLORIDA, ILLINOIS, INDIANA, IOWA, MINNESOTA AND WISCONSIN. CERTAIN TERRITORIES OPEN FOR AGENCY REPRESENTATION.

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Robert S. Barber  
Secretary

PREFERRED RISKS  
SPECIAL RATES

## Study of Injury Loss, Recovery and Insurer Practice

(CONTINUED FROM PAGE 15)

The study notes that in an urban area such as Philadelphia, attorneys are retained in a large proportion of all cases.

In claims where no clear cut liability exists and where damage is at worst but temporary, there is little basis for payment of excesses over losses, the study comments. The practice can have but one effect, increasing the costs of liability insurance, a con-

dition which may lead ultimately to a greater proportion of drivers being uninsured and to a reduced recovery base, or possibly to some form of legislative benefits, including compulsion.

Two companies have begun to initiate procedures which appear to offer some remedy for the deteriorating situation of settlements on questionable liability, which have led the

claimant to maximize his claim, not because he believes the facts justify it, but rather because he wishes to secure relatively the best amount possible. The companies present a complete brief with a realistic appraisal of the loss along with an equitable offer of settlement to the victim or his attorney. The object is to establish the facts and under those facts to offer a proper settlement as rapidly as possible. Where there are necessarily area differences in approach and evaluation, a strong central system of patterns should emerge which will give a solid basis for proceeding in these cases. In both cases the results appear to justify the method. The company which has been using it longer states that the rate of non-litigated settlement in the early months of claims currency seems to attest to the adequacy of this method. The study suggests that this approach should help to minimize the increasingly numerous and lengthy negotiations of claims settlements. While these are more expensive administratively in the early stage in settlement procedure, the reduced time and expenses of litigation should more than com-

pensate therefore. Moreover, to the extent that the attitudes of the claimant and the companies are improved by it, a better ultimate total experience may result.

## Ore. Agents to Hear Battles

A member of the executive committee of the National Assn. of Insurance Agents, Robert Battles of Los Angeles, will be the headliner at the annual convention of the Oregon Assn. of Insurance Agents, Portland, Sept. 21-23.

Other speakers include Tom Collins, Kansas City banker, and Dr. Ben Sweetland, San Francisco, author and producer of a weekly radio and TV program.

## Cal. Associations Elect

Modesto and Richmond, Cal., associations of insurance agents have named the following officers: Modesto—President, Arthur G. Powell; vice-president, Earl Damin; secretary-treasurer John Hynes.

Richmond—President, Walter Kos- ich; vice-president Robert Graper; executive-secretary, Robert M. Bales; treasurer, Craig Dill; members of the executive committee, Duane Horner and Edward Pinney.



## From the diary of an Agency Secretary



Inland Marine. I'll just never forget the very first IM policy Mr. L had me type up. "But, Mr. L," I said, "doesn't it have something to do with waterways and . . . and things? And we don't have any water around here—not even a . . . a lake!" Of course Mr. L quickly explained IM to me, in his best my-dear-young-lady manner. That was three years ago. Since then, well, we've been doing a land office (oh dear!) business with Inland Marine and PLM. One of our policyholders calls it his "rest-easy" insurance. And it's no wonder, when you stop to think what it insures against what! "Profitable business, too," says Mr. L, "when you know your prospect. And you can't beat that PLM policy . . ."

## MR. LOCAL AGENT

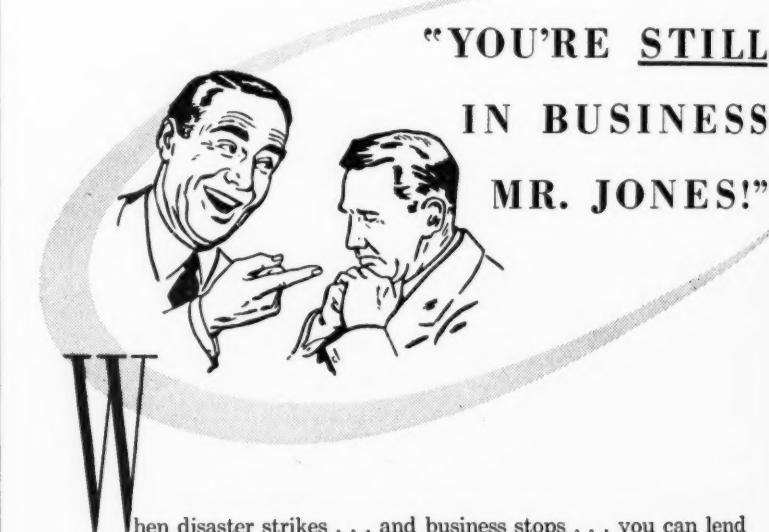
Are you getting your share of the potential profits in writing personal property under Inland Marine? The insuring public is showing an ever-growing interest in this single-policy, all-risk protection. PLM has just produced a business-getting folder on Inland Marine. Better send for a sample copy. You may want to put it to work for you. It's yours free.

## Pennsylvania Lumbermens Mutual Insurance Company

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hen disaster strikes . . . and business stops . . . you can lend a helping hand. If you've provided your client with adequate Business Interruption Insurance through the Saint Paul Companies, he can be assured of immediate reimbursement for loss of business, payroll coverages or even loss of accounts receivable records.

Any business is your prospect and you'll find the coverages you need to work out sound insurance programs through the Saint Paul Companies.

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Members, American Foreign  
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offering world-wide insurance facilities.

## Fire Rates Reduced in Me.; Dwellings Are Cut About 13%

New England Fire Insurance Rating Assn. has reduced fire rates an average of 10% in Maine, effective June 13. Reductions in the dwelling class amount to about 13%. However, bad experience has resulted in some increases for farms, lumber and building materials, wood working and sprinklered manufacturing risks.

In addition to the rate reductions in the general revision of rates by the association, property owners will get further savings as a result of extension of term rule discounts to nearly all classes of risks, including mercantile stocks.

New rates have been promulgated for dwellings for the entire state. Churches and schools will be reinspected and re-rated by the association, a move that is expected to result in lower rates in those classes in most cases.

Classes with fire rate reductions in Maine include commercial camps and motels with less than 20 bedrooms, mercantile buildings, some mercantile stocks, offices, banks, some warehouses, chemical, plastic and rubber plants, leather and paper and pulp workers, stone, clay and mineral goods manufacturing, glass products, plants, light metal workers, town halls, police and fire department stations, municipal water works and sprinklered non-manufacturing risks.

### GAB Promotes Howard, Moves N. C. Offices

J. E. Howard Jr., former adjuster in charge of the Petersburg, Va., branch of General Adjustment Bureau has been advanced to branch manager there. The office, formerly

under the jurisdiction of the Richmond office, will operate as a separate branch. Mr. Howard is assisted by K. L. Walker and J. F. Sykes.

GAB has also moved offices in Fayetteville, and Burlington, N. C. The new Fayetteville office is at 231 Grace Pittman building, Hay street, under the direction of W. W. Simpson. The Burlington office, supervised by C. A. Baird Jr., resident adjuster, and under the direct supervision of N. W. Sapp, Greensboro manager, is at 304 Wachovia Bank building, 235 South Main street.

### Eklund Is Promoted by Phoenix of Hartford

Phoenix of Hartford group has named John R. Eklund assistant manager of publications and advertising in the public relations department. He joined Phoenix in 1951.

### Bond Waiver Bill Signed

WASHINGTON—President Eisenhower has signed a bill authorizing the waiving of requirement of performance and payment bonds in connection with air force and coast guard contracts, the same rights other branches of the service have.

### Jefferson of N. Y. in Conn.

Jefferson of New York has been licensed in Connecticut. It is now in 22 states and District of Columbia.

John A. North, president of Phoenix-Connecticut group since 1951, has been elected to the board of Connecticut Mutual Life.

Insurance Women of Des Moines have elected Iola West president. Other new officers are: Rosa Cunningham, 1st vice-president; Florence Gibson, 2nd vice-president; Jean Gardner, recording secretary; Ann Sieh, treasurer, and Bessie Murray, corresponding secretary. Past-president Ildra Hennies conducted the installation ceremony and Miss West an initiation ceremony.

## Agricultural Group Planning to Enter Multiple Line Field

Agricultural group conducted a three day meeting, attended by 26 field men from the northwestern area, at which plans were made for entering the multiple line field.

An announcement by the group said that it was expected that the solicitation and production of business will commence shortly in the area to be presently covered.

### Bill Signed Permitting Aetna Casualty and Automobile to Merge

Gov. Ribicoff of Connecticut has signed legislation authorizing Aetna Casualty and Automobile to merge. Such a merger would have to be approved by stockholders of both companies.

Aetna Life owns 51% of total shares of Aetna Casualty and 82% of total shares of Automobile. The latter company owns 19,925 of 20,000 shares outstanding of Standard Fire.

### Denham to Mo. Field for American Casualty

American Casualty has named Paul F. Denham Jr. field representative at Kansas City. He has been a New York special agent for Providence Washington Indemnity which he also served in the automobile underwriting department.

### Correction on Sun Figures

The underwriting results indicated in the loss and expense ratios for Sun on page 62 of the new 1955 Argus Fire Chart are incorrect and consequently they indicate an inaccurate combined loss and expense ratio.

For 1954 the ratio of losses incurred including adjustment expenses incurred to premiums earned should be 54.4%. The ratio of expenses incurred to net premiums written should be 45.8% instead of 53.7 as shown, making the correct combined loss and expense ratio 100.2. The percentages shown for other years and for the five year totals are correct.

### F. E. Barnhart in New Post

LANSING—Francis E. Barnhart, New York Life, has been elected president of Central Michigan A&H Assn. Other officers are: J. A. Doherty, Retail Credit, reelected vice-president, and Ray Miller, Mutual Benefit H&A, reelected secretary-treasurer.

### Shephard Named in San Francisco

Standard Accident and Planet companies of Detroit have appointed Merrill W. Shephard manager of casualty and property underwriting department at San Francisco. Mr. Shephard joined the companies in 1946, served as field representative for New England and Chicago, was fire and marine superintendent for Planet, and manager of fire and marine department at San Francisco.

The National Assn. of Insurance Agents' standard course on agency methods and management will be offered at the University of Minnesota center for continuation study Dec. 1-2.

Kenneth Graham and Donald Yancey of Albany, Ore., have opened a new agency in the Albany hotel. Both have had previous experience, Mr. Graham with Tripp & Tripp and Mr. Yancey with Parker & Smith.

Insurance Women of Columbus have elected Ruth Mider, Bates & Co., president. Other new officers are: Vice-president Dorothy Clark, Aetna Fire; secretaries Jane Quinlan, American Equitable, and Margaret Hill, Pacific National Fire, and treasurer Bertha Myers, Shank & Saunders.

# FIRE and ALLIED LINES

# Reinsurance

## PRO-RATA and

## EXCESS OF LOSS

INTER-OCEAN REINSURANCE COMPANY  
CEDAR RAPIDS, IOWA



## A&H Agents Hold Silver Anniversary Convention

(CONTINUED FROM PAGE 1)

has been very active in official capacities in the International and Texas associations.

New vice-president are E. J. Coffey, Mutual Benefit H. & A., Portland, Ore., and Earle R. Bennett, Provident Life & Accident, Tampa. Jay DeYoung of DeYoung & Associates, Oak Park, Ill., was reelected controller.

Members of the new executive board include Oakley Baskin, Mutual Benefit H. & A., Buffalo; Sig Bjornson, Staze Auto, Moorhead, Minn.; Emerson Davis, Inter-Ocean, Dallas; Marion F. Houston, Washington National, Kansas City; John G. Galloway, Provident L. & A., Birmingham; George E. Lehman, National Accident & Health, Newark; Robert G. Myers, Massachusetts Protective, Cincinnati; Spafford Orwig, Orwig agency, Indianapolis; Gibson Wright, Continental Casualty, Eau Claire, Wis.; Roy Davis, Illinois Mutual Casualty, Peoria; Gail Shoup,

Lincoln National, Grand Rapids; St. George Grinnan, Grinnan agency, Richmond; Webster Hurley, Bankers Life & Casualty, Charlotte, N. C.; Frank Gabor, Gabor agency, Miami; Eugene E. Gaffey, Peerless Casualty, Keene, N. H.; William E. Reinh, Massachusetts Bonding, Omaha; Howard Nevenon, Washington National, Los Angeles.

Miami was chosen as the convention city for 1956, St. Paul and Philadelphia made bids for the 1957 convention.

Establishment of a "revolving membership fund as a way of meeting the challenge of obtaining increased membership, which is essential toward meeting other challenges facing the business, was recommended by President McKinnon. The plan was suggested by Director Emerson Davis, who is chairman of the committee in charge of it.

Mr. Davis explained that an able, full-time membership director is needed.

ed to organize and direct membership campaigns in a manner similar to the way community chest and other "red feather" campaigns are conducted. Such a director, he said, could be obtained for about \$10,000. This amount, he explained, would be made up, under the plan, by loans of \$200 each from members financially able to make such loans. Initial letters he sent to a list of such members had resulted in responses for a total of more than \$7,000.

Keynoter R. L. McMillon used broad strokes in painting the present prosperous American economic picture in general, and then asked, in view of that, why the association membership has remained so static. He said locals depend upon leaders, that agents are in a leading position with the companies and the public, and that companies and general agents should subscribe to a code of ethics that will be beyond reproach.

He urged the use of the association's Disability Insurance Training Council instruction in the training of members. "Out of the educational courses of accident and health insurance one course will survive," he declared. "I predict this. Speed is of the essence. Let us hold on to the right to educate our own membership."

In relations with National Assn. of Life Underwriters, he said, "we should work by all means to be in a complete accord with NALU, but I hope we will never lose the competitive spirit." Cooperation, he said, is needed, as, for example, in legislation and in federal employe insurance. "We need their strength and they need our strength in this fight."

Joe S. Moore of agency licensing division of the Texas board of commissioners, represented the board and the governor of Texas in greeting the meeting. He complimented the association on its code of ethics, educational program, and sales congresses. He reaffirmed that A&H insurance is basic insurance that ought to be part and parcel of every personal insurance program. He attributed certain abuses in the business to its growing pains. Public confidence in A. & H., he stated, is based largely on the manner in which it is being sold, and buying is based on confidence in the individual seller.

Goldman Drury, director of the Bexar County Hospital System, San Antonio, in an explanation of how to answer the question of today's hospital costs, declared that hospitals must educate the public that they provide health and not insurance. He asserted that compulsory health insurance is an ever-present threat and a challenge to the American hospital system. He outlined the need for public relations programs to educate the public to hospital care and costs. He said the public is misled in believing that the costs are high. He compared costs of today with those of 60 years ago to show that, in consideration of today's incomes and today's shorter hospital stays, the hospital costs were comparatively higher 60 years ago than now.

The agent as "man in motion" was defined in various ways, mostly humorous, by Louis Throgmorton, vice-president Republic National Life, who was luncheon speaker on Monday. "We live in a money economy," he said, and explained that the challenge of America has always been "you have got to be on the go." He predicted that the

A&H agent is "in for a new day."

As the first day's meeting progressed, special thanks went to general convention chairman O. D. Harlan of the Harlan agency, San Antonio, and his committee co-workers for the able manner in which the event was being conducted. E. D. Speer acted as master of ceremonies. Others on the committee were A. D. Anderson, Occidental Life; Herman F. Andrew, BMA, Marion Coulter, Washington National; C. T. Crosby, American General Life; D. J. Farrell, Pacific Mutual Life; Rachel Malone, American Hospital & Life; Carroll C. Preston, Guarantee Mutual Life; Frank Powell, New York Life; Francis Sullivan, American Hospital Life, and C. B. Brussels. On the advisory committee were Emerson Davis, Inter-Ocean; John Delany, American General Life, Houston; Albert H. Wohlers, Youngberg-Carlson, Chicago; Ray Wicker, World, Omaha.

E. H. O'Connor, managing director of Insurance Economics Society, told the agents there is pressure from Washington to have states adopt compulsory disability insurance. As such measures have been introduced in various states in the past, they have been defeated nearly every time, Mr. O'Connor said, but with federal activity forcing the issue, "we face a situation which will require the complete cooperation of every insurance man and every employer."

In the current legislative sessions, compulsory disability bills have been introduced in 11 states, but all have been successfully disposed of with one exception - Massachusetts, which is still debating the issue. If the Massachusetts measure is defeated it will be the seventh consecutive legislative year in which this has been accomplished.

Until now, the moving force for such legislation has been labor leaders who believe it will be benefitting the worker. Mr. O'Connor took issue with this, pointing out that group and individual A&H has had tremendous sales in the last 10 years to the point where it can almost be proved that workers do not need or want state plans of a compulsory nature. The need for them has been surveyed in several states and has found to be almost nonexistent. Company group plans are far superior to those established by the state, and they have the further benefit of improving labor relations.

The companies attempting to do business in the states having UCD plans have found after years of experience that they are slowly forced out of the market, Mr. O'Connor said. The reason is that once the legislation gets on the books it becomes a political football and at every session there is pressure for expansion of benefits without an increase in the premium tax. For example, the California legislature this year adopted a further expansion of benefits to give \$40 a week plus \$10 a day hospitalization for 12 days, and this is the fourth increase in weekly benefits since the law was adopted nine years ago. The New Jersey legislature has reduced the premium tax from  $\frac{3}{4}$  of 1% to  $\frac{1}{2}$  of 1%.

The only answer to this situation, he averred, is to oppose vigorously any and every compulsory sickness bill introduced in any legislature throughout the country.

Frank H. Johnson has purchased the Irah O. Stonebraker agency of Emporia, Kan. Mr. Johnson has had an agency in Emporia since 1934.

## WANT ADS

Rates—\$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

**SPECIAL AGENTS WANTED**  
FOR  
**NORTHERN IOWA AND KENTUCKY**

A well established midwest multi-line, mutual insurance company wishes to appoint Fieldmen to take care of expansion in Kentucky and Northern Iowa.

These are excellent positions with a splendid future.

Address F-48, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### INSURANCE AGENCY

FOR SALE—Well established local agency in small Michigan city. Write Mrs. Anna Klumpp, Box 246, Pinconning, Michigan.

**EXCEPTIONAL OPPORTUNITY**  
for experienced Fire Man to organize and manage Fire Department for General Agency with established agency plant in Rocky Mountain States. Must have field experience and reside in Denver. Address F-52, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### AGENCY SUPERVISOR AVAILABLE

Experienced in opening up new states, appointing Managing General Agents and supervising Special Agents in all territories for casualty and fire. Prefer extensive traveling. Reply to Box F-51, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### MILWAUKEE AGENCY

Has opening for man experienced in general insurance with an opportunity to acquire an interest in long established agency with diversified production in fire, casualty and marine business. Give complete information as to background, age and salary requirements in letter to F-50, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### SPECIAL AGENTS

A fast growing Mutual Fire & Casualty Insurance Company operating in the Mid-Western States has excellent opportunities for experienced multiple-line fieldmen. Will locate in Indiana and other Mid-West territories. Age 25-35. If interested reply to F-54, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### INSURANCE AGENCY WANTED

Will purchase Stock Company Fire and Casualty agency with at least \$10,000. commissions. Desire location South, Southwest or West. Twenty years local agency experience. Top references. Reply Box F-57, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### ASSISTANT ACCIDENT AND HEALTH UNDERWRITER

Rapidly growing exclusively accident and health company in east seeks junior underwriter in accident and health who can develop with business expansion to head one of the underwriting department divisions. Good opportunity and pay above average. Our employees know of this ad. Send complete information on self and experience to Box NY-32, Advertising Dept., The National Underwriter Co., 99 John St., New York 38, N. Y.

### SPECIAL AGENT—INDIANA

Excellent territory available in Indiana for experienced multiple-line special agent, age 30-40. Must be willing to live outside Indianapolis. Preferably should have field experience in Indiana.

Contact

INDIANA INSURANCE COMPANY  
Consolidated Building Indianapolis, Indiana

### ADJUSTER WANTED

to headquarter in Minneapolis-St. Paul, Minnesota. Fire and Marine experience necessary. Must specialize in Marine and Heavy Equipment losses. Address F-49, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

June 16, 1955

## E. J. Faulkner Is Named A&H Man of the Year

Edwin J. Faulkner, president of Woodmen Accident & Life and Woodmen Central, was presented the Harold R. Gordon memorial award at the banquet of International Assn. of A & H Underwriters this week at San Antonio. He is the seventh to receive the tribute for outstanding service to the A&H business. The others are E. H. O'Connor of Insurance Economics Society, V. J. Skutt of Mutual Benefit H. & A., William E. Lebby of Massachusetts Indemnity, the late Bert A. Hedges of Business Men's Assurance, E. H. Muller, Provident Life & Accident, and John Galloway of Provident Life & Accident.

Mr. Faulkner received the award from William G. Manzelmann, North American Accident, a past president of the Chicago association, which is trustee of the award. The award committee adjudged Mr. Faulkner to have done more for the business during the last year than any other individual. He is head of the Joint Committee on Health Insurance and was one of the leaders in testifying at Senate investigations of A&H.

Dr. Faulkner is the author of *Accident & Health Insurance*, the first authoritative text on A&H. He started with Woodmen Central Health in 1931, becoming treasurer the following year. Two years later he became assistant to the president of Woodmen Accident, and in 1936 was elected a vice-president of Woodmen Central Life. He became president of all three companies in 1938.

Mr. Faulkner has served for eight years on the executive committee of H & A Underwriters Conference and in 1950 was conference president. He is a past chairman of the A&H committee of Life Insurance Agency Management Assn., and for two years was president of Insurance Federation of Nebraska.

### Rough Notes Names Henry

Otis Henry has been appointed representative for Rough Notes in Oklahoma and Arkansas with headquarters at Oklahoma City. Mr. Henry has been with Oklahoma assigned risk plan and before that was with Oklahoma Rating Bureau. He also has had experience as a local agent at Columbia, Mo.

New officers of Insurance Women of Lincoln were installed at the June meeting. They are Miss Ellen R. Deming, president; Mrs. Ralph McClellan, vice-president; Shirley Blyer, secretary, and Mrs. L. F. Kirkman, treasurer. Miss Aurelia Plautz is the outgoing president.

## Wm. H. McGee & Co., Inc.

MARINE UNDERWRITERS

111 John Street, New York 38, N.Y.

Baltimore Boston Chicago Columbus, O. Dallas Houston Los Angeles Montreal New Orleans Philadelphia San Francisco Seattle Toronto



OCEAN MARINE  
INLAND MARINE  
HOMEOWNERS' COMPREHENSIVE  
MANUFACTURERS' OUTPUT  
and similar covers

## Multiple Line Bill Signed in Ohio; Others Advance

The Ohio multiple line bill has been signed by Governor Lausche to become effective Sept. 8, and now multiple line will be permitted in all 48 states.

The Ohio situation has been of concern to insurance people for two or three years, because it has held up several mergers of companies pending adoption of the bill and has caused irritation in writing policies.

The legislature is still working on changes in the workmen's compensation act. The house industry and labor committee has recommended passage of a bill to decentralize the WC bureau and abolish trial by jury appeals cases and have them go instead to one of the courts of appeals. The maximum weekly compensation would be increased from \$32.50 to \$40.25 and death benefits would go from \$9,000 to \$12,000. Claims boards would be abolished in favor of regional boards of review.

A new bill has been introduced in the senate to require surety bonding companies to maintain a minimum unimpaired surplus of \$250,000.

The senate has passed the house bill which applies the guest statute to operators of aircraft.

The senate judiciary committee has recommended a house bill providing for the suspension of a mental patient's driver's license.

The house has passed and the senate has referred to a committee a bill extending workmen's compensation to defense workers injured in civil defense work.

House insurance committee has recommended a bill enacting a fair trade practice law.

The senate insurance committee has recommended a substitute A&H bill without amendments. The governor

and insurance department had recommended that there be added to the bill rate regulation; elimination entirely of the right of companies to void the policy, or deny a claim for mis-statement

in the application (except fraudulent mis-statements). The bill shortens the contestability period to 2 years. It is understood that the insurance industry will oppose any amendments.



## prompt

Fair, equitable and prompt claim payments are just a few of the necessary ingredients that make for successful agent-company relations.

Local agents who represent Houston-American will attest to our fine reputation for quality and prompt, efficient service in all phases of underwriting, safety engineering and claim adjustments. If you have any problems, call us. We will be happy to work with you.

Operating in:

Texas - Arkansas - New Mexico - Oklahoma - Louisiana - Utah  
Tennessee - Kentucky - Indiana - Wyoming - Nevada - Montana

## Houston-American Insurance Company

4606 South Main

An Agency Company

Houston, Texas

We Add

## New Dimensions

to Insurance Service . . .

By Providing Agents and Brokers Markets for Hard-to-Place Risks & Surplus Business



The markets for unusual and hazardous risks provided by MacGibeny Agency Inc. have opened up a whole new insurance dimension for agents and brokers.

It is our job to handle risks which your regular companies will not write. This is a factor of extreme importance today when failure to find a market for a coverage can lead to loss of an entire account.

The moral is this: *Never give up on a piece of business until you've submitted it to MacGibeny Agency.*

We write no business direct, but devote our full energies to helping producers write business.



## MacGibeny Agency Inc.

PUBLIC SQUARE BUILDING • CLEVELAND 13, OHIO

## MR. AGENT!

Is Your Business Falling Off—  
Are you losing a "good risk here" and an  
"old customer there" to new plan competition?

### ASK ABOUT OUR PLAN

#### It Will Help You

- ★ Meet that competition
- ★ Hold your business
- ★ Retain control
- ★ Secure new business

### AMERICAN AGENCY SYSTEM

- ★ Business Written Only Through  
Independent Agents
- ★ Flat Commission Rates Paid
- ★ Renewals Vested In The Agent
- ★ Territory Open To Qualified Agents

(Available to Agents in Ohio — Indiana — Michigan & Pennsylvania)

**ALL GAIN** \* \* \* \* **NOTHING LOST**

AGENCY \_\_\_\_\_

LOCATION \_\_\_\_\_

MAIL THIS AD TODAY TO:

### THE CELINA MUTUAL INSURANCE COMPANY

315 South Main Street, Celina, Ohio

35 Years Of Service Through Agents



3025 WEST SIXTEENTH STREET

INDIANAPOLIS 22, INDIANA

IS YOUR MARKET FOR  
ALL FORM OF LIABILITY, PROPERTY DAMAGE—MATERIAL DAMAGE

Military Personnel

Financial Responsibility

"SR<sup>22</sup>" and Bonds

Under and Over Age

L. P. G.

AMUSEMENT RIDES

TRUCKS

Intermediate, Long Haul

TAXICABS

FINANCE LINES

FRONTING CONTRACTS

FIRE & ALLIED LINES—BURGLARY—PUBLIC LIABILITY

SURPLUS AND EXCESS LINES

MID-WEST INSURANCE COMPANY IS THE  
AGENTS' AND BROKERS' COMPANY

Why delay your inquiry?

A CAPITAL STOCK COMPANY

### Liquidation of Angelus, Public Service Complete

LOS ANGELES—Insurance Commissioner F. Britton McConnell has been discharged as liquidator of Angelus Indemnity of Los Angeles and Public Service of San Francisco.

Angelus, in liquidation since 1937, has mailed final dividend payments to approximately 3,000 general creditors.

In the case of Public Service, in liquidation since 1953, funds remaining, after paying creditor claims and administrative expenses, were forwarded for Russell & Bond Inc., former attorneys-in-fact for the company.

### AFIA Names La Bianca New Manager at Cairo

American Foreign Insurance Assn. has named Lance La Bianca manager at Cairo and opened its sixth office in South Africa, in Bloemfontein, Orange Free State, with Jan Albert Steyn as manager.

Mr. La Bianca joined AFIA in 1947 and has served in the Phillipines, in India and until recently was assistant manager at Tokyo.

T. B. Brown Jr., AFIA supervisor for France, is visiting in New York, Fred R. Schendel, submanager at Sao Paulo, has arrived in New York to spend several months in this country, and Fred J. Parmentier, assistant manager at Johannesburg, is in New York on a three-month home leave.

### Zangmaster Promoted

Ralph Zangmaster has been promoted to assistant sales manager for Motorists Mutual at Columbus. He will assist Byron W. Snyder, sales division vice-president, with administrative duties and direct casualty and fire insurance training operations in a six-state area. Mr. Zangmaster, formerly a district sales manager, joined Motorists Mutual in 1950.

### Allstate Plans Vancouver Office

Allstate has leased space in a building to be built in Vancouver, B. C., as a new location for its western Canada regional office. The company expects to occupy its new quarters about Nov. 1.

### N. Y. Investment Group Shown American Film

A group representing New York investment firms were guests of American of Newark at a special showing of its colored slide film, "Sell The Whole Umbrella," at the Bankers Club.

Secretary John N. Cosgrove, and J. Paul Rutter, vice-president in charge of investments, conducted a question and answer period following the showing, held, Mr. Cosgrove said, to give the investment people an idea of what American is doing to meet competition.

The slide film, which is accompanied by sound, explains the company's family protection plan and how its agents can use it as a means of obtaining more and new business. The plan includes a number of coverages in one package. Also present at the showing was John Leddy, director of education of American.

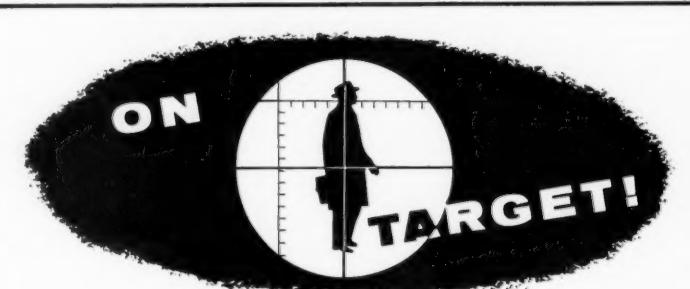
### America Fore Is Building in L. A.

Construction has been started on a new two-story building that will house America Fore's Los Angeles operations. Located on the southeast corner of Wilshire place and Sunset place, the building will be ready for occupancy Jan. 1. Group offices are currently located in the fidelity building at 548 South Spring.

The building will be air-conditioned and will include a coffee room and a recreational area on the roof for employees. In addition, plans call for a parking area for 45 cars within the building. The Los Angeles management will remain the same.

### Ky. Casualty Managers Name E. C. Hill President

LOUISVILLE—Emerson C. Hill, state agent for Aetna Fire and head of the Louisville office of Century Indemnity, has been named president of Kentucky Casualty & Surety Managers Assn. Jerome Wilson, Aetna Casualty, is 1st vice-president; John W. James, Jr., Security-Connecticut, 2nd vice-president; Matt O. Diggs, U.S.F.&G., treasurer, and Willard M. Brown, Jr., Glens Falls, secretary.



Sales are moving targets that won't stand still. "On Target" today—"Off Target" tomorrow. To sell and keep selling, you have to keep prospects within range.

Don't fall into the error of thinking your market is relatively stable. Here are the facts: Over 36 million people will move from one city to another this year; 70% of all families move from one town to another at least once every 10 years. Or to pinpoint one entire industry, a three year study revealed that 56% of all companies placed new men in one or more top positions.

Promotions, deaths, retirements and transfers keep today's buying targets on the move. So when making your plans, remember: At any time, perhaps 25% of your potential customers never heard of you before.

Look to Anchor as a company who can help you stay "On Target"—keep pace in 1955. New ideas, new methods, improved coverages all add up to help you meet the challenge in today's changing market. Tie in with Anchor!



BOS'N DAN—  
THE ANCHOR MAN  
HELPS PUSH  
YOUR BUSINESS!

**ANCHOR**  
**CASUALTY**  
**COMPANY**

MULTIPLE LINE FACILITIES  
Workmen's Compensation  
Automobile—Misc. Gen.  
Liability—Allied Lines  
Burglary—Plate Glass  
Fire & Allied Lines  
Fidelity & Surety  
Inland Marine

ST. PAUL 4, MINNESOTA

## Insurers Increase Newspaper Ads 28% in 1954

Insurance companies had the second highest percentage gain in national newspaper advertising expenditures among the 23 major classifications in 1954, according to Bureau of Advertising of American Newspaper Publishers Assn.

With a total space investment of \$10,952,000—a 28.6% increase over 1953, newspapers accounted for more than 35% of the insurance industry's total advertising in the regularly measured media. Insurance advertising lineage in the first quarter of 1955 ran 7.5% ahead of last year, according to Media Records.

Breaking into the list of the top 100 national newspaper advertisers for the first time in 1954 are Mutual Benefit in 74th spot with \$1,203,130, and Associated Hospital Service of New York in 98th position with \$926,241. Prudential jumped from 99th to 70th in ranking, with an expenditure of \$1,239,630, an increase of 33.7%, and Institute of Life Insurance is 79th with \$1,159,511. These are the only insurers in the first 100 newspaper advertisers.

The sharp increase in newspaper insurance advertising is not attributable to any one company, the bureau noted, but represents a trend on the part of all insurers "to wage more aggressive campaigns" for new business.

Warren Bragg, Bureau of Advertising increases "reflect the increased competition for health, accident and hospitalization coverages, the introduction of new types of policies by the life companies, and the expanding promotional efforts of the 'direct writing' companies in the property field."

Recognizing the rapidly changing competitive situation in the property insurance field, the bureau has issued a new presentation, "The Cracker Barrel Days of Salesmanship Are Over," and is enlisting the cooperation of its more than 1,000 member newspapers in the project, which is designed to help local insurance agents increase the effectiveness of their advertising.

## Role of Medium Size Computer Described by Allstate Official

The role of a medium sized computer system in processing data at Allstate was described by L. L. van Oosten, methods research director of Allstate, at American Management Assn.'s electronic conference in New York.

A data processing system is composed of four levels, he said. First is at the branch where documents originally are prepared. Company representatives record transactions upon which the entire system rests. Conventional equipment, such as addressographs, are used to make premium bills, record notices of accidents and payment of claims, and to make expense payments.

The information entering the system is transferred to a different location, the second level, where a card must be punched for every transaction. At Allstate, at least 80 million digits a month enter the system from four such locations.

The next step in the operation takes place at four centers where the decks of detail cards are brought together and summarized in every way needed

to form all classes of statistics and information that eventually reach management. Reports of greater complexity are run off at this level, too.

The summary decks are brought together at the final level, where the statistics are analyzed and reports created which management uses to learn what has been happening and what must be done to get what it wants.

The decentralized structure of Allstate eliminates any immediate economical use of a large computer, said Mr. van Oosten. Because a medium sized computer might be used at more than one level, and most readily at the final one, the company purchased the datatron from Electro Data Corp. of Pasadena, Cal.

He explained the datatron's operation by describing its use in every quarter in the underwriting department. When the 116 basic categories of private passenger automobile risks are combined in all ways the department wants, they total 280. With 464 words of data, representing four words for each of the 116 categories, a total of 3,080 words of information must be printed in the report form. This is done for 60 different groups, defined by type of coverage, geographic area and other facts.

This report originally was computed by clerks, who, using desk adding machines and calculators, spent 1,800 man-hours to prepare it, exclusive of time needed to prepare and list the punched cards containing the information.

About a year ago, the report was completely mechanized by using the IBM 407 accounting machine and the 607 calculator-punch. The time was reduced to 100 man-hours.

With the datatron, the operation is reduced to 12 man-hours, reported Mr. van Oosten. When the computer takes over the report functions, processing is done by a single unit which controls all operations and eliminates pitfalls caused by going from one piece of independent equipment to another. He described in considerable detail the mechanics of the datatron operation.

Information may be read onto a drum which may store 4,080 words, 3,360 of them basic data and all computation results. Its size makes the information readily available for each block of cards which come from the third processing level. The current experience cards are read into the datatron and find the appropriate location. All classes of totals are computed. Loss experience may also be figured.

Allstate is preparing monthly expense analysis statements for each of its 26 branches on office expense, sales expense, claims expense and public relations. Other standard reports are being transferred from IBM equipment to this system. Mr. van Oosten said Allstate expects to replace rental equipment and clerical effort costing more than the five year equipment amortization.

## G. F. Wilder Heads Ind. Fire Prevention Assn.

George F. Wilder, Home, was installed as president of Indiana Fire Prevention Assn. at the annual meeting.

G. E. King, Atlas, became vice-president; Paul N. Catherman, Boston and Old Colony, secretary-treasurer, and Edward A. Foisey, Girard and National-Ben Franklin, assistant secretary.

Retiring president, John T. Gorman, Aetna Fire reported the association had inspected 4,000 risks in nine Indiana cities with a total population of nearly a quarter million people last year.



Be ready with this tremendously effective barrage which you can lay down on your objective — your prospect list! These colorful folders are already developing business for alert Camden agents. Be sure to get your "Surprise Package" while the supply lasts.

If you don't represent The Camden now, send this coupon for a copy of our new "Surprise Package". Do it now.

## "YOU NEED BOTH" THE CAMDEN FIRE INSURANCE ASSOCIATION

Camden 1, New Jersey

Sounds interesting. Send sample copy of your "1955 Surprise Package".

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ ZONE \_\_\_\_\_ STATE \_\_\_\_\_

## AMUSEMENT PARK & CARNIVAL COVERAGES



PRIMARY and EXCESS  
EXCELLENT RATES  
GRIFFITHS, TATE LTD.

309 W. Jackson Blvd.  
WAbash 2-7577

Chicago 6, Ill.  
Teletype CG 2785

## Maryland Agents Midyear Draws 250 to Baltimore

(CONTINUED FROM PAGE 1)  
are influenced but not overcome by competition.

Independent broadening of coverage and rate cutting necessitate selective underwriting, Mr. Welhöltner pointed out, and leave the regular insurers with the rest of the business. Why do the bureaus apparently drag their feet on coverage improvements? Because they realize their responsibility for maintaining stable and reliable markets over the years improvements have to be carefully studied, because once placed among policy standard provisions they are at a "point of no return." The only means of taking a too liberal feature out of a policy are to hike rates or simply "revise" it away. Neither course is popular.

P. L. Whittington, Baltimore, contract manager for American Appraisal, discussed valuation for insurance.

The package policy review was given by B. P. McMackin Jr., assistant editor *Fire, Casualty & Surety Bulletins*. Mr. McMackin summarized developments in dwelling coverages during the past 1½ years and went into some detail concerning differences between the coverage of the blanket section of the personal property floater and the coverage of Multiple Peril Insurance Rating Organization's homeowners policy C.

Most recent available figures indicate that personal inland marine lines were almost exactly divided between scheduled and blanket items, Mr. McMackin said. This suggests that at least some insured who carry the PPF are not necessarily good prospects for homeowners C. The insurance man should review carefully the advantages of scheduling—not possible under homeowners C—and make sure insured are completely in accord if scheduled coverage is to be abandoned.

A possible solution is to write homeowners C plus a separate personal articles floater, but there is the obvious drawback that, having sold the insured on the single policy at a discount idea, he may be negatively impressed with the notion of a separate contract to plug gaps, especially one at undiscounted rates.

N. E. J. Rhody of Baltimore was moderator of the educational sessions and chairman of the convention committee. Officers of the association are R. J. Brooks Jr., Baltimore, president; H. H. McFarlin, Riverdale, executive vice-president; B. B. Kane, Chestertown, chairman; J. V. Coblenz, Frederick, state national director; R. J. Thome, Baltimore, secretary, and T. B. Cash, Westminster, treasurer. C. K. Oakley is executive secretary.

## Launch Plans for Passing Compulsory Bill in Illinois

Decalogue Society, an organization of Illinois attorneys, is beginning a drive for compulsory automobile liability insurance in Illinois. The group plans to present a bill in the next legislative session and will attempt to get public support for it beforehand.

### Conn. Field Men Hold Outing

Connecticut Field Club held its annual outing at Norwich Inn. Horace Andersen of Home, the new president, awarded golf and door prizes. Guests were Frank Wagner and John Resony of the Connecticut department. Mr. Resony and B. Schneider, Liverpool, tied for low net in golf, and the low gross prize went to Henry Fuldner, North America. Harold Hawkins of New Hampshire Fire won the horseshoe pitching contest.



Four of the principals at the annual meeting of North Carolina Assn. of Insurance Agents take time out to talk things over. Left to right are W. W. Noblin of Durham, new president; Louie Woodbury of Wilmington, National association executive committee member; Daniel R. Ackerman, chairman of Great American, and Robert E. Battles of Los Angeles, National Association executive committee member.

## Florida Broad Dwelling Forms Changed

(CONTINUED FROM PAGE 1)  
sured location at all. This is understood to have been the source of numerous headaches in adjusting losses following, particularly, hurricane Hazel, which hit several important vacation areas. The Florida bureau bulletin announcing this change states that the effect of it is to "provide coverage on such property even though it had never been actually located in the principal dwelling."

The changes affecting the outbuildings and time element extensions, if adopted in other states, will offer an interesting contrast with the coverage of the homeowners policies. Under these contracts, the amounts of coverage definitely are not extensions of the dwelling amount, even though they are rigidly fixed at amounts which are developed by application of specified percentages to the dwelling amount. They are designated "limits of liability" and apply separately and as to coverage, independently. The difference is that the indivisible premium for the homeowners policies presumably includes a charge for these features, while the Florida broadened dwelling forms will now provide them without extra cost.

Similar changes will be made in basic dwelling and contents forms as these are reprinted, the bureau announced. It has also been pointed out that agents need not endorse existing contracts or destroy old forms, since the liberalization clause applies to each of these changes.

### So. Cal. Adjusters Hear Lawyer

LOS ANGELES—Attorney Clarence Sprague of Santa Ana addressed Adjusters Assn. of Southern California on "Jury Cases in Orange County, Past and Present." He touched particularly on cases involving violations of the state liquor control act.

### Portland, Ore. Assn. of Insurance Agents scheduled its annual picnic for July 27 at Jantzen Beach.

Insurance Women of Pittsburgh will hold their last meeting of the season June 21. Mary Barnes and Emilie Schiller were elected delegates to the national convention in San Francisco at the May meeting.

## State Farm Revises Rates in Nine States

State Farm Mutual Auto has revised liability and physical damage rates in Alabama, Arizona, Arkansas, California, Idaho, Kentucky, Tennessee, Utah and Nevada. This includes the new four-group plan.

The effect is generally a savings, and State Farm estimates that in the nine states there will be effected a rate reduction of \$2 million over-all.

## Upper Peninsula Agents to Meet in Wisconsin

The annual convention of Upper Peninsula, Mich., Assn. of Insurance Agents will be held at Land O' Lakes, Wis., June 24-25. Lewis J. Lieberthal, Lieberthal & Son agency, Ironwood, Mich., is president.

### Report Service Adds Medical Form

Retail Credit Co. has developed a special report blank for applicants for major medical expense coverage.

In connection with the report inspectors are being instructed to emphasize health, past and present, finances and occupation. On family coverage, number of children in the family and their ages, health of individual members, total family income, and wife's occupation, if employed, are to be covered. The reports will cover a minimum of one year, but most of them will cover a much longer period.

### Austin Puddle Chooses Chapman

The Austin puddle of Alamo Blue Goose in Texas has elected W. F. Chapman, American General, big toad. Don Reinhackel, H. G. Reinhackel & Sons agency, is polliwog; J. W. Gainer Jr., Hammerman & Gainer, croaker, and Ike Neumann, American General, bouncer.

Gary Assn. of Insurance Women has elected as their second group of officers: Miss Irma Chaiabai, president; Mrs. W. W. Miller, vice-president; Mrs. Basil Fleming, recording secretary; Mrs. Paul Burchuk, corresponding secretary, and Miss Adeline Schuster, treasurer. New directors are: Mrs. Alice Caine, Miss Nelle McCluckie, and Mrs. Elizabeth DeVault, retiring president.

## YOUR CLIENT relies on YOU for protection and counsel

• Make certain your  
client's insurance is  
based on a factual,  
provable appraisal by  
an experienced,  
reliable firm.

THE  
**LLOYD-THOMAS**

RECOGNIZED APPRAISAL AUTHORITIES CO.

4411 Ravenswood Avenue, Chicago 40, Ill.

First for Factual appraisals  
since 1910

OFFICES IN PRINCIPAL CITIES





To be exact — 4,744 agents have used this chair while delivering practice sales presentations at the *Ætna* Home Office Casualty and Surety Sales Course.

... and when they got up, they were more skillful . . . more confident . . . more capable salesmen.

Practical, do-it-yourself instruction is one of the basic features of the *Ætna* Sales Course — and one of the reasons why so many of its graduates are among the nation's top producers.

Thousands of graduates will tell you that the five weeks spent at this Course advanced their careers by years. Thousands of success stories stand as dramatic evidence of how well the Course equips *Ætna* Agents to excel in the increasingly competitive field of modern insurance selling.

If you would like more information on the *Ætna* Casualty and Surety Sales Course — contact your nearest *Ætna* Field Office — or write direct to —



## ÆTNA CASUALTY AND SURETY COMPANY

*The *Ætna* Life Affiliated Companies write practically every form of insurance and bonding protection*

### LIFE AND CASUALTY

*Ætna* Life Insurance Company  
*Ætna* Casualty and Surety Company

### FIRE AND MARINE

Automobile Insurance Company  
Standard Fire Insurance Company

Hartford 15, Connecticut

# LOYALTY GROUP

## FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

DECEMBER 31, 1954

ASSETS	LIABILITIES
Cash	\$ 6,504,482.72
Mortgage Loans on Real Estate	965,857.92
*Bonds and Stocks	147,618,784.78
Interest due and accrued	171,504.67
Agents and Departmental Balances	3,799,979.91
Real Estate	3,213,500.00
Equity in Marine and Foreign Insurance Pools	9,022,449.11
All other Assets	1,455,742.29
<b>Total admitted assets</b>	<b>\$172,752,301.40</b>
	<b>SURPLUS TO POLICYHOLDERS \$85,901,686.76</b>

Securities carried at \$3,290,509.33 in the above statement are deposited as required by law.

## GIRARD INSURANCE COMPANY OF PHILADELPHIA, PA.

DECEMBER 31, 1954

ASSETS	LIABILITIES
Cash	\$ 598,124.35
Mortgage Loans on Real Estate	1,841.96
*Bonds and Stocks	13,083,787.60
Interest due and accrued	34,661.45
Agents and Departmental Balances	935,891.86
Real Estate	160,000.00
All other Assets	400,669.59
<b>Total admitted assets</b>	<b>\$15,214,976.81</b>
	<b>SURPLUS TO POLICYHOLDERS \$6,647,931.91</b>

Securities carried at \$795,921.11 in the above statement are deposited as required by law.

## MILWAUKEE INSURANCE COMPANY OF MILWAUKEE, WIS.

DECEMBER 31, 1954

ASSETS	LIABILITIES
Cash	\$ 704,674.28
Mortgage Loans on Real Estate	349,567.43
*Bonds and Stocks	36,221,447.38
Interest due and accrued	66,711.94
Agents and Departmental Balances	2,824,359.57
All other Assets	206,228.78
<b>Total admitted Assets</b>	<b>\$40,372,989.38</b>
	<b>SURPLUS TO POLICYHOLDERS \$18,121,239.08</b>

Securities carried at \$2,754,310.37 in the above statement are deposited as required by law.

## THE METROPOLITAN CASUALTY INSURANCE COMPANY OF NEW YORK

DECEMBER 31, 1954

ASSETS	LIABILITIES
Cash	\$ 2,158,645.87
Mortgage Loans on Real Estate	53,792.36
*Bonds and Stocks	43,576,089.40
Interest due and accrued	121,764.91
Agents and Departmental Balances	3,594,144.55
Equity in Marine and Foreign Insurance Pools	141,845.57
All other Assets	243,951.19
<b>Total admitted Assets</b>	<b>\$49,890,233.85</b>
	<b>SURPLUS TO POLICYHOLDERS \$14,326,105.06</b>

Securities carried at \$4,440,750.05 in the above statement are deposited as required by law.

\*Valuations on basis prescribed by National Association of Insurance Commissioners

Western Department  
120 So. LaSalle St., Chicago 3, Illinois

Southwestern Department  
912 Commerce St., Dallas 22, Texas

## HOME OFFICE

10 PARK PLACE, NEWARK 1, NEW JERSEY

Foreign Department  
102 Maiden Lane, New York 5, New York

Pacific Department  
220 Bush St., San Francisco 6, Calif.

Canadian Departments  
800 Bay St., Toronto 2, Ontario  
535 Homer St., Vancouver 3, B. C.

## NATIONAL-BEN FRANKLIN INSURANCE COMPANY OF PITTSBURGH, PA.

DECEMBER 31, 1954

ASSETS	LIABILITIES
Cash	\$ 701,306.98
*Bonds and Stocks	12,961,657.05
Interest due and accrued	31,762.10
Agents and Departmental Balances	1,584,124.81
Real Estate	70,500.00
All other Assets	269,713.05
<b>Total admitted Assets</b>	<b>\$15,619,063.99</b>
	<b>SURPLUS TO POLICYHOLDERS \$7,419,958.23</b>

Securities carried at \$1,822,477.09 in the above statement are deposited as required by law.

## ROYAL GENERAL INSURANCE COMPANY OF CANADA

DECEMBER 31, 1954

ASSETS	LIABILITIES
Cash	\$ 34,471.83
Bonds and Stocks	399,903.86
Interest Due and Accrued	2,904.58
Agents and Department Balances	15,526.81
All other Assets	13,400.00
<b>Total admitted Assets</b>	<b>\$466,207.08</b>
	<b>Total</b>

**SURPLUS TO POLICYHOLDERS \$462,343.76**

Securities carried at \$55,801.87 in the above statement are deposited as required by law.

## COMMERCIAL INSURANCE COMPANY OF NEWARK, N. J.

DECEMBER 31, 1954

ASSETS	LIABILITIES
Cash	\$ 2,038,580.99
Mortgage Loans on Real Estate	450,709.87
*Bonds and Stocks	50,889,280.64
Interest due and accrued	119,254.06
Agents and Departmental Balances	3,701,677.51
Equity in Marine and Foreign Insurance Pools	147,212.23
All other Assets	141,118.75
<b>Total admitted Assets</b>	<b>\$57,487,834.05</b>
	<b>SURPLUS TO POLICYHOLDERS \$15,500,276.92</b>

Securities carried at \$1,692,140.80 in the above statement are deposited as required by law.